

## CC1: Composition of regulatory capital

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c
		As of September 30, 2020	As of June 30, 2020	Reference to Template CC2
<b>Common Equity Tier 1 capital: instruments and reserves (1)</b>				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,032,687	7,128,753	
1a	of which: capital and capital surplus	3,527,284	3,527,288	
2	of which: retained earnings	3,733,942	3,601,464	
1c	of which: treasury stock (-)	—	—	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	228,540	—	
	of which: other than the above	—	—	
1b	Stock acquisition rights to common shares	—	—	
3	Accumulated other comprehensive income and other disclosed reserves	1,481,785	1,342,719	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	1,140	1,219	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,515,612	8,472,692	
<b>Common Equity Tier 1 capital: regulatory adjustments (2)</b>				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	239,196	239,419	
8	of which: goodwill (including those equivalent)	8,881	9,846	
9	of which: other intangibles other than goodwill and mortgage servicing rights	230,315	229,573	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,538	3,565	
11	Net deferred gains or losses on hedges	128,781	106,911	
12	Shortfall of eligible provisions to expected losses	—	8,636	
13	Securitisation gain on sale	60,762	60,414	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	11,413	11,621	
15	Net defined benefit asset	257,122	162,431	
16	Investments in own shares (excluding those reported in the Net assets section)	—	—	
17	Reciprocal cross-holdings in common equity	—	—	

18	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)		—	—
19+20+21	Amount exceeding the 10% threshold on specified items		—	—
19	of which: significant investments in the common stock of financials		—	—
20	of which: mortgage servicing rights		—	—
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)		—	—
22	Amount exceeding the 15% threshold on specified items		—	—
23	of which: significant investments in the common stock of financials		—	—
24	of which: mortgage servicing rights		—	—
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)		—	—
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		—	—
28	Common Equity Tier 1 capital: regulatory adjustments (B)		700,815	593,001
<b>Common Equity Tier 1 capital (CET1)</b>				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)		7,814,797	7,879,691
<b>Additional Tier 1 capital: instruments (3)</b>				
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	—
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,285,000	1,185,000
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	13,033	14,148	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	—	—	
33	of which: instruments issued by banks and their special purpose vehicles	—	—	
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	—	
36	Additional Tier 1 capital: instruments (D)		1,298,033	1,199,148

<b>Additional Tier 1 capital: regulatory adjustments</b>				
37	Investments in own Additional Tier 1 instruments	—	—	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	
39	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 common share capital of the entity (amount above the 10% threshold)	—	—	
40	Significant investments in the Additional Tier 1 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	25,525	25,525	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	—	
43	Additional Tier 1 capital: regulatory adjustments (E)	25,525	25,525	
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,272,507	1,173,622	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,087,304	9,053,313	
<b>Tier 2 capital: instruments and provisions (4)</b>				
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—	
	Stock acquisition rights to Tier 2 instruments	—	—	
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	992,791	923,910	
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group T2)	2,619	3,300	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	297,804	328,445	
47	of which: instruments issued by banks and their special purpose vehicles	297,804	328,445	
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	—	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	37,117	12,589	
50a	of which: general reserve for possible loan losses	13,687	12,589	
50b	of which: eligible provisions	23,429	—	
51	Tier 2 capital: instruments and provisions (H)	1,330,332	1,268,246	

<b>Tier 2 capital: regulatory adjustments (5)</b>				
52	Investments in own Tier 2 instruments		—	—
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		—	—
54	Investments in the capital and other TLAC liabilities 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 common share capital of the entity (amount above the 10% threshold)		—	—
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		81,734	82,313
57	Tier 2 capital: regulatory adjustments (I)		81,734	82,313
<b>Tier 2 capital (T2)</b>				
58	Tier 2 capital (T2) ((H)-(I)) (J)		1,248,598	1,185,933
<b>Total capital (TC = T1 + T2)</b>				
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)		10,335,902	10,239,246
<b>Risk weighted assets (6)</b>				
60	Total risk-weighted assets (RWA) (L)		56,887,136	57,322,204
<b>Capital ratios (consolidated) (7)</b>				
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))		13.73%	13.74%
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))		15.97%	15.79%
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))		18.16%	17.86%
<b>Regulatory adjustments (8)</b>				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)		242,805	198,670
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		550,394	549,477
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)		—	—
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)		2,613	67

<b>Provisions included in Tier 2 capital: instruments and provisions (9)</b>				
76	Provisions (general reserve for possible loan losses)	13,687	12,589	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	22,516	23,409	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	23,429	—	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	259,332	261,506	
<b>Capital instruments subject to transitional arrangements (10)</b>				
82	Current cap on AT1 instruments subject to transitional arrangements	247,571	247,571	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	—	—	
84	Current cap on T2 instruments subject to transitional arrangements	406,905	406,905	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	—	—	