

CC1: Composition of regulatory capital

Sumitomo Mitsui Banking Corporation

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b
		As of December 31, 2020	As of September 30, 2020
Common Equity Tier 1 capital: instruments and reserves (1)			
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,134,748	6,051,684
1a	of which: capital and capital surplus	3,335,548	3,335,548
2	of which: retained earnings	2,799,200	2,944,676
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	Valuation and translation adjustment and other disclosed reserves	1,903,718	1,636,526
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,038,466	7,688,210
Common Equity Tier 1 capital: regulatory adjustments (2)			
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	168,844	165,997
8	of which: goodwill	—	—
9	of which: other intangibles other than goodwill and mortgage servicing rights	168,844	165,997
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	—
11	Net deferred gains or losses on hedges	225,426	236,360
12	Shortfall of eligible provisions to expected losses	—	—
13	Securitisation gain on sale	58,781	60,762
14	Gains and losses due to changes in own credit risk on fair valued liabilities	6,241	8,693
15	Prepaid pension cost	249,976	246,345
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)		709,270	718,160
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)		7,329,196	6,970,049
Additional Tier 1 capital: instruments (3)				
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	1,155,000	1,285,000
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments		—	—
36	Additional Tier 1 capital: instruments (D)		1,155,000	1,285,000
Additional Tier 1 capital: regulatory adjustments				
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
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)		1,129,474	1,259,474
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)		8,458,670	8,229,523
Tier 2 capital: instruments and provisions (4)				
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		867,171	992,791
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities		—	—
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions		275,119	297,804
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2		6,005	9,201
50a	of which: general reserve for possible loan losses		—	—
50b	of which: eligible provisions		6,005	9,201
51	Tier 2 capital: instruments and provisions (H)		1,148,296	1,299,797
Tier 2 capital: regulatory adjustments (5)				
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)		81,050	81,734
57	Tier 2 capital: regulatory adjustments (I)		81,050	81,734

Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I))	(J)	1,067,246	1,218,063
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G)+(J))	(K)	9,525,917	9,447,587
Risk weighted assets (6)				
60	Total risk-weighted assets (RWA)	(L)	55,091,541	53,570,810
Capital ratios (7)				
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))		13.30%	13.01%
62	Tier 1 risk-weighted capital ratio ((G)/(L))		15.35%	15.36%
63	Total risk-weighted capital ratio ((K)/(L))		17.29%	17.63%
Regulatory adjustments (8)				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)		277,497	240,373
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		495,523	491,780
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)		—	—
Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general reserve for possible loan losses)		—	—
77	Cap on inclusion of provisions (general reserve for possible loan losses)		2,155	2,274
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")		6,005	9,201
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		276,352	265,556
Capital instruments subject to transitional arrangements (10)				
82	Current cap on AT1 instruments subject to transitional arrangements		247,471	247,471
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		403,448	403,448
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")		—	—