

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 Mar. 31, 2021)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	72,568,875		
Call loans and bills bought	2,553,463		
Receivables under resale agreements	5,565,119		
Receivables under securities borrowing transactions	5,827,448		
Monetary claims bought	4,665,244		
Trading assets	6,609,195		7-a
Money held in trust	309		
Securities	36,549,043		3-b, 7-b
Loans and bills discounted	85,132,738		7-c
Foreign exchanges	2,173,189		
Lease receivables and investment assets	236,392		
Other assets	8,590,785		7-d
Tangible fixed assets	1,458,991		
Intangible fixed assets	738,759		3-a
Net defined benefit asset	565,534		4
Deferred tax assets	29,840		5-a
Customers' liabilities for acceptances and guarantees	9,978,396		
Reserve for possible loan losses	(659,017)		
Total assets	242,584,308		
Liabilities			
Deposits	142,026,156		
Negotiable certificates of deposit	12,570,617		
Call money and bills sold	1,368,515		
Payables under repurchase agreements	15,921,103		
Payables under securities lending transactions	2,421,353		
Commercial paper	1,686,404		
Trading liabilities	5,357,649		7-e
Borrowed money	17,679,690		9-a
Foreign exchanges	1,113,037		

Short-term bonds	585,000		
Bonds	9,043,031		9-b
Due to trust account	2,321,223		
Other liabilities	7,741,638		7-f
Reserve for employee bonuses	89,522		
Reserve for executive bonuses	4,408		
Net defined benefit liability	35,334		
Reserve for executive retirement benefits	1,081		
Reserve for point service program	24,655		
Reserve for reimbursement of deposits	9,982		
Reserve for losses on interest repayment	140,758		
Reserves under the special laws	3,902		
Deferred tax liabilities	532,193		5-b
Deferred tax liabilities for land revaluation	29,603		5-c
Acceptances and guarantees	9,978,396		
Total liabilities	230,685,262		
Net assets			
Capital stock	2,341,274		1-a
Capital surplus	693,205		1-b
Retained earnings	6,492,586		1-c
Treasury stock	(13,698)		1-d
Total stockholders' equity	9,513,367		
Net unrealized gains or losses on other securities	2,094,605		
Net deferred gains or losses on hedges	14,723		6
Land revaluation excess	36,251		
Foreign currency translation adjustments	40,390		
Accumulated remeasurements of defined benefit plans	127,080		
Total accumulated other comprehensive income	2,313,051	(a)	
Stock acquisition rights	1,791		2, 8-a
Non-controlling interests	70,836		8-b
Total net assets	11,899,046		
Total liabilities and net assets	242,584,308		

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 Mar. 31, 2021	Remarks	Ref. No.
Capital stock	2,341,274		1-a
Capital surplus	693,205		1-b
Retained earnings	6,492,586		1-c
Treasury stock	(13,698)		1-d
Total stockholders' equity	9,513,367		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,513,367	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,034,480		1a
of which: retained earnings	6,492,586		2
of which: treasury stock (-)	13,698		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 Mar. 31, 2021	Remarks	Ref. No.
Stock acquisition rights	1,791		2
of which: Stock acquisition rights issued by bank holding company	1,791		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,791		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 Mar. 31, 2021	Remarks	Ref. No.
Intangible fixed assets	738,759		3-a
Securities	36,549,043		3-b
of which: goodwill attributable to equity-method investees	41,793		
Income taxes related to above	176,205		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks	Basel III Template No.
Goodwill (including those equivalent)	183,861		8
Other intangibles other than goodwill and mortgage servicing rights	420,485	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 Mar. 31, 2021	Remarks
Net defined benefit asset	565,534	
Income taxes related to above	173,033	

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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks
Net defined benefit asset	392,500	

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5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2021	Remarks
Deferred tax assets	29,840	
Deferred tax liabilities	532,193	
Deferred tax liabilities for land revaluation	29,603	
Tax effects on intangible fixed assets	176,205	
Tax effects on net defined benefit asset	173,033	

Ref. No.
5-a
5-b
5-c

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,314	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	4,688	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	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	4,688	

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21
25
75

6. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2021	Remarks
Net deferred gains or losses on hedges	14,723	

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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks
Net deferred gains or losses on hedges	18,771	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

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7. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2021	Remarks
Trading assets	6,609,195	Including trading account securities and derivatives for trading assets
Securities	36,549,043	
Loans and bills discounted	85,132,738	Including subordinated loans
Other assets	8,590,785	Including derivatives
Trading liabilities	5,357,649	Including trading account securities sold and derivatives for trading liabilities
Other liabilities	7,741,638	Including derivatives

Ref. No.
7-a
7-b
7-c
7-d
7-e
7-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks	Basel III Template No.
Investments in own capital instruments	6,137		
Common Equity Tier 1 capital	6,137		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)	1,084,994		
Common Equity Tier 1 capital	21,337		18
Additional Tier 1 capital	660		39
Tier 2 capital and other TLAC liabilities	4,585		54
Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deductions (before risk weighting)	1,058,411		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)	996,363		
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	33,213		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	937,624		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2021	Remarks	Ref. No.
Stock acquisition rights	1,791		8-a
Non-controlling interests	70,836		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	Remarks	Basel III Template No.
Amount allowed in group CET1	1,145	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	13,836	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	2,403	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 Mar. 31, 2021	Remarks	Ref. No.
Borrowed money	17,679,690		9-a
Bonds	9,043,031		9-b
Total	26,722,722		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2021	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	648,878		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	861,798		46