

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 June 30, 2020)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	63,188,842		
Call loans and bills bought	1,522,423		
Receivables under resale agreements	6,349,067		
Receivables under securities borrowing transactions	4,583,526		
Monetary claims bought	4,453,144		
Trading assets	6,843,029		7-a
Money held in trust	333		
Securities	30,054,755		3-b, 7-b
Loans and bills discounted	87,106,793		7-c
Foreign exchanges	2,325,320		
Lease receivables and investment assets	218,706		
Other assets	8,429,059		7-d
Tangible fixed assets	1,433,857		
Intangible fixed assets	751,024		3-a
Net defined benefit asset	238,337		4
Deferred tax assets	25,643		5-a
Customers' liabilities for acceptances and guarantees	9,154,430		
Reserve for possible loan losses	(530,806)		
Total assets	226,147,489		
Liabilities			
Deposits	133,560,778		
Negotiable certificates of deposit	9,720,495		
Call money and bills sold	3,742,254		
Payables under repurchase agreements	12,644,340		
Payables under securities lending transactions	2,254,131		
Commercial paper	1,989,560		
Trading liabilities	5,600,892		7-e
Borrowed money	16,052,089		9-a
Foreign exchanges	1,146,332		

Short-term bonds	530,000		
Bonds	9,021,436		9-b
Due to trust account	1,840,290		
Other liabilities	7,309,725		7-f
Reserve for employee bonuses	27,150		
Net defined benefit liability	35,738		
Reserve for executive retirement benefits	860		
Reserve for point service program	27,211		
Reserve for reimbursement of deposits	3,571		
Reserve for losses on interest repayment	134,522		
Reserves under the special laws	3,364		
Deferred tax liabilities	359,853		5-b
Deferred tax liabilities for land revaluation	30,096		5-c
Acceptances and guarantees	9,154,430		
Total liabilities	215,189,129		
Net assets			
Capital stock	2,339,964		1-a
Capital surplus	692,007		1-b
Retained earnings	6,243,623		1-c
Treasury stock	(13,751)		1-d
Total stockholders' equity	9,261,844		
Net unrealized gains or losses on other securities	1,644,368		
Net deferred gains or losses on hedges	83,053		6
Land revaluation excess	36,860		
Foreign currency translation adjustments	(43,823)		
Accumulated remeasurements of defined benefit plans	(90,746)		
Total accumulated other comprehensive income	1,629,711	(a)	
Stock acquisition rights	1,846		2, 8-a
Non-controlling interests	64,957		8-b
Total net assets	10,958,360		
Total liabilities and net assets	226,147,489		

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 June 30, 2020	Remarks	Ref. No.
Capital stock	2,339,964		1-a
Capital surplus	692,007		1-b
Retained earnings	6,243,623		1-c
Treasury stock	(13,751)		1-d
Total stockholders' equity	9,261,844		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of June 30, 2020	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,261,844	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,031,972		1a
of which: retained earnings	6,243,623		2
of which: treasury stock (-)	13,751		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 June 30, 2020	Remarks	Ref. No.
Stock acquisition rights	1,846		2
of which: Stock acquisition rights issued by bank holding company	1,846		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of June 30, 2020	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,846		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 June 30, 2020	Remarks	Ref. No.
Intangible fixed assets	751,024		3-a
Securities	30,054,755		3-b
of which: goodwill attributable to equity-method investees	47,633		
Income taxes related to above	166,859		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of June 30, 2020	Remarks	Basel III Template No.
Goodwill (including those equivalent)	231,522		8
Other intangibles other than goodwill and mortgage servicing rights	400,276	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 June 30, 2020	Remarks
Net defined benefit asset	238,337	

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Income taxes related to above	72,688	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2020	Remarks
Net defined benefit asset	165,648	

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5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2020	Remarks
Deferred tax assets	25,643	
Deferred tax liabilities	359,853	
Deferred tax liabilities for land revaluation	30,096	

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

Tax effects on intangible fixed assets	166,859	
Tax effects on net defined benefit asset	72,688	

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2020	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,565	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)	1,730	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)	1,730	

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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 June 30, 2020	Remarks
Net deferred gains or losses on hedges	83,053	

Ref. No.
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2020	Remarks
Net deferred gains or losses on hedges	85,127	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 June 30, 2020	Remarks
Trading assets	6,843,029	Including trading account securities and derivatives for trading assets
Securities	30,054,755	
Loans and bills discounted	87,106,793	Including subordinated loans
Other assets	8,429,059	Including derivatives
Trading liabilities	5,600,892	Including trading account securities sold and derivatives for trading liabilities
Other liabilities	7,309,725	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 June 30, 2020	Remarks	Basel III Template No.
Investments in own capital instruments	3,575		
Common Equity Tier 1 capital	3,575		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)	752,502		
Common Equity Tier 1 capital	—		18
Additional Tier 1 capital	—		39
Tier 2 capital and other TLAC liabilities	—		54
Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deductions (before risk weighting)	752,502		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)	999,007		
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	82,313		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	891,168		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2020	Remarks	Ref. No.
Stock acquisition rights	1,846		8-a
Non-controlling interests	64,957		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2020	Remarks	Basel III Template No.
Amount allowed in group CET1	1,219	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	9,567	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	2,222	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 June 30, 2020	Remarks	Ref. No.
Borrowed money	16,052,089		9-a
Bonds	9,021,436		9-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2020	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	685,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	923,637		46