

## Composition of Leverage Ratio

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(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	145,200,251	189,089,655
1a	1	Total assets reported in the consolidated balance sheet	172,382,863	219,863,518
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	—	—
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—	—
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	27,182,612	30,773,863
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	900,233	878,104
3		Total on-balance sheet exposures (a)	144,300,018	188,211,550
<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.	4,268,048	6,878,993
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.	3,840,357	4,556,886
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	855,195	923,702
6		The amount of receivables arising from providing collateral, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework		
		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	—	—
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	113,232	151,482
8		The amount of client-cleared trade exposures for which a bank or bank holding company acting as clearing member is not obliged to make any indemnification (-)		
9		Adjusted effective notional amount of written credit derivatives	964,578	900,439
10		The amount of deductions from effective notional amount of written credit derivatives (-)	867,925	744,710
11	4	Total exposures related to derivative transactions (b)	8,947,022	12,363,828
<b>Exposures related to repo transactions (3)</b>				
12		The amount of assets related to repo transactions, etc.	10,932,594	13,758,920
13		The amount of deductions from the assets above (line 12) (-)	—	—
14		The exposures for counterparty credit risk for repo transactions, etc.	393,094	459,828
15		The exposures for agent repo transaction		
16	5	Total exposures related to repo transactions, etc. (c)	11,325,688	14,218,749
<b>Exposures related to off-balance sheet transactions (4)</b>				
17		Notional amount of off-balance sheet transactions	65,696,391	61,636,792
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	41,208,039	38,942,263
19	6	Total exposures related to off-balance sheet transactions (d)	24,488,351	22,694,529
<b>Leverage ratio on a consolidated basis (5)</b>				
20		The amount of capital (Tier 1 capital) (e)	10,530,749	10,249,936
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	189,061,080	237,488,658
22		Leverage ratio on a consolidated basis ((e)/(f))	5.57%	4.31%
<b>Leverage ratio on a consolidated basis (including deposits with the Bank of Japan) (6)</b>				
		Total exposures (f)	189,061,080	
		The amount of deposits with the Bank of Japan	53,764,626	
		Total exposures (including deposits with the Bank of Japan) (f')	242,825,707	
		Leverage ratio on a consolidated basis (including deposits with the Bank of Japan) ((e)/(f'))	4.33%	

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 5 of the notification of JFSA No. 12, 2019.