

## 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 Sep. 30, 2020)	Reference to Template CC1	Reference to appended table
<b>Assets</b>			
Cash and due from banks	68,474,446		
Call loans and bills bought	2,346,355		
Receivables under resale agreements	3,982,086		
Receivables under securities borrowing transactions	5,186,289		
Monetary claims bought	4,097,203		
Trading assets	6,649,870		7-a
Money held in trust	333		
Securities	29,190,464		3-b, 7-b
Loans and bills discounted	84,516,005		7-c
Foreign exchanges	2,097,207		
Lease receivables and investment assets	226,046		
Other assets	7,958,448		7-d
Tangible fixed assets	1,426,529		
Intangible fixed assets	748,040		3-a
Net defined benefit asset	374,032		4
Deferred tax assets	28,265		5-a
Customers' liabilities for acceptances and guarantees	9,020,388		
Reserve for possible loan losses	(564,094)		
Total assets	225,757,919		
<b>Liabilities</b>			
Deposits	137,912,817		
Negotiable certificates of deposit	10,237,691		
Call money and bills sold	1,240,692		
Payables under repurchase agreements	10,925,007		
Payables under securities lending transactions	2,293,249		
Commercial paper	1,895,452		
Trading liabilities	5,465,919		7-e
Borrowed money	16,011,392		9-a
Foreign exchanges	1,003,624		

Short-term bonds	727,000		
Bonds	9,204,155		9-b
Due to trust account	1,967,293		
Other liabilities	5,840,581		7-f
Reserve for employee bonuses	54,133		
Net defined benefit liability	35,323		
Reserve for executive retirement benefits	966		
Reserve for point service program	26,382		
Reserve for reimbursement of deposits	2,097		
Reserve for losses on interest repayment	126,107		
Reserves under the special laws	3,467		
Deferred tax liabilities	434,457		5-b
Deferred tax liabilities for land revaluation	30,047		5-c
Acceptances and guarantees	9,020,388		
Total liabilities	214,458,248		
<b>Net assets</b>			
Capital stock	2,341,274		1-a
Capital surplus	693,098		1-b
Retained earnings	6,427,428		1-c
Treasury stock	(13,693)		1-d
Total stockholders' equity	9,448,109		
Net unrealized gains or losses on other securities	1,729,972		
Net deferred gains or losses on hedges	105,603		6
Land revaluation excess	37,056		
Foreign currency translation adjustments	(87,545)		
Accumulated remeasurements of defined benefit plans	(568)		
Total accumulated other comprehensive income	1,784,519	(a)	
Stock acquisition rights	1,808		2, 8-a
Non-controlling interests	65,234		8-b
Total net assets	11,299,671		
Total liabilities and net assets	225,757,919		

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 Sep. 30, 2020	Remarks	Ref. No.
Capital stock	2,341,274		1-a
Capital surplus	693,098		1-b
Retained earnings	6,427,428		1-c
Treasury stock	(13,693)		1-d
<b>Total stockholders' equity</b>	<b>9,448,109</b>		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,448,109	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,034,373		1a
of which: retained earnings	6,427,428		2
of which: treasury stock (-)	13,693		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 Sep. 30, 2020	Remarks	Ref. No.
Stock acquisition rights	1,808		2
of which: Stock acquisition rights issued by bank holding company	1,808		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,808		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 Sep. 30, 2020	Remarks	Ref. No.
Intangible fixed assets	748,040		3-a
Securities	29,190,464		3-b
of which: goodwill attributable to equity-method investees	45,391		
Income taxes related to above	167,466		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Goodwill (including those equivalent)	225,385		8
Other intangibles other than goodwill and mortgage servicing rights	400,579	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 Sep. 30, 2020	Remarks	Ref. No.
Net defined benefit asset	374,032		4
Income taxes related to above	114,230		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Net defined benefit asset	259,802		15

## 5. Deferred tax assets

## (1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2020	Remarks	Ref. No.
Deferred tax assets	28,265		5-a
Deferred tax liabilities	434,457		5-b
Deferred tax liabilities for land revaluation	30,047		5-c
Tax effects on intangible fixed assets	167,466		
Tax effects on net defined benefit asset	114,230		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,538	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)	5,212	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	—		21
Amount exceeding the 15% threshold on specified items	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	5,212		75

## 6. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2020	Remarks	Ref. No.
Net deferred gains or losses on hedges	105,603		6

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	107,931	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

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

## (1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2020	Remarks	Ref. No.
Trading assets	6,649,870	Including trading account securities and derivatives for trading assets	7-a
Securities	29,190,464		7-b
Loans and bills discounted	84,516,005	Including subordinated loans	7-c
Other assets	7,958,448	Including derivatives	7-d
Trading liabilities	5,465,919	Including trading account securities sold and derivatives for trading liabilities	7-e
Other liabilities	5,840,581	Including derivatives	7-f

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Investments in own capital instruments	4,263		
Common Equity Tier 1 capital	4,263		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)	819,974		
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)	819,974		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)	1,004,577		
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	81,734		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	897,317		73

## 8. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2020	Remarks	Ref. No.
Stock acquisition rights	1,808		8-a
Non-controlling interests	65,234		8-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2020	Remarks	Basel III Template No.
Amount allowed in group CET1	1,140	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)	30-31 ab-32
Amount allowed in group AT1	10,187	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	1,949	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 Sep. 30, 2020	Remarks	Ref. No.
Borrowed money	16,011,392		9-a
Bonds	9,204,155		9-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 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	785,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	988,078		46