

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 Dec. 31, 2020)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	69,296,024		
Call loans and bills bought	2,567,080		
Receivables under resale agreements	4,403,022		
Receivables under securities borrowing transactions	4,991,008		
Monetary claims bought	4,590,434		
Trading assets	6,764,256		7-a
Money held in trust	310		
Securities	34,118,251		3-b, 7-b
Loans and bills discounted	83,936,025		7-c
Foreign exchanges	2,183,342		
Lease receivables and investment assets	222,938		
Other assets	8,665,573		7-d
Tangible fixed assets	1,471,043		
Intangible fixed assets	749,354		3-a
Net defined benefit asset	381,035		4
Deferred tax assets	29,356		5-a
Customers' liabilities for acceptances and guarantees	9,208,815		
Reserve for possible loan losses	(572,756)		
Total assets	233,005,116		
Liabilities			
Deposits	139,722,833		
Negotiable certificates of deposit	10,445,344		
Call money and bills sold	1,646,879		
Payables under repurchase agreements	12,925,633		
Payables under securities lending transactions	2,135,263		
Commercial paper	1,810,686		
Trading liabilities	5,510,831		7-e
Borrowed money	17,530,442		9-a
Foreign exchanges	961,256		

Short-term bonds	517,500		
Bonds	8,605,083		9-b
Due to trust account	2,098,414		
Other liabilities	7,571,272		7-f
Reserve for employee bonuses	49,073		
Net defined benefit liability	36,059		
Reserve for executive retirement benefits	1,050		
Reserve for point service program	26,821		
Reserve for reimbursement of deposits	783		
Reserve for losses on interest repayment	114,682		
Reserves under the special laws	3,663		
Deferred tax liabilities	538,990		5-b
Deferred tax liabilities for land revaluation	30,009		5-c
Acceptances and guarantees	9,208,815		
Total liabilities	221,491,390		
Net assets			
Capital stock	2,341,274		1-a
Capital surplus	693,196		1-b
Retained earnings	6,412,912		1-c
Treasury stock	(13,687)		1-d
Total stockholders' equity	9,433,696		
Net unrealized gains or losses on other securities	2,014,427		
Net deferred gains or losses on hedges	80,915		6
Land revaluation excess	37,047		
Foreign currency translation adjustments	(123,383)		
Accumulated remeasurements of defined benefit plans	1,114		
Total accumulated other comprehensive income	2,010,122	(a)	
Stock acquisition rights	1,798		2, 8-a
Non-controlling interests	68,109		8-b
Total net assets	11,513,726		
Total liabilities and net assets	233,005,116		

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 Dec. 31, 2020	Remarks
Capital stock	2,341,274	
Capital surplus	693,196	
Retained earnings	6,412,912	
Treasury stock	(13,687)	
Total stockholders' equity	9,433,696	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2020	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,433,696	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	3,034,470	
of which: retained earnings	6,412,912	
of which: treasury stock (-)	13,687	
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

Basel III Template No.
1a
2
1c
31a

2. Stock acquisition rights

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2020	Remarks
Stock acquisition rights	1,798	
of which: Stock acquisition rights issued by bank holding company	1,798	

Ref. No.
2

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2020	Remarks
Stock acquisition rights to common shares	1,798	
Stock acquisition rights to Additional Tier 1 instruments	—	
Stock acquisition rights to Tier 2 instruments	—	

Basel III Template No.
1b
31b
46

3. Intangible fixed assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2020	Remarks
Intangible fixed assets	749,354	
Securities	34,118,251	
of which: goodwill attributable to equity-method investees	43,549	

Ref. No.
3-a
3-b

Income taxes related to above	169,094	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2020	Remarks
Goodwill (including those equivalent)	219,668	
Other intangibles other than goodwill and mortgage servicing rights	404,141	Software and other
Mortgage servicing rights	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
8
9
20
24
74

4. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2020	Remarks
Net defined benefit asset	381,035	
Income taxes related to above	116,366	

Ref. No.
4

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2020	Remarks
Net defined benefit asset	264,668	

Basel III Template No.
15

5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2020	Remarks
Deferred tax assets	29,356	
Deferred tax liabilities	538,990	
Deferred tax liabilities for land revaluation	30,009	
Tax effects on intangible fixed assets	169,094	
Tax effects on net defined benefit asset	116,366	

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

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2020	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,270	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)	7,031	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)	7,031	

Basel III Template No.
10
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 Dec. 31, 2020	Remarks
Net deferred gains or losses on hedges	80,915	

Ref. No.
6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2020	Remarks
Net deferred gains or losses on hedges	83,117	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

Basel III Template No.
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 Dec. 31, 2020	Remarks
Trading assets	6,764,256	Including trading account securities and derivatives for trading assets
Securities	34,118,251	
Loans and bills discounted	83,936,025	Including subordinated loans
Other assets	8,665,573	Including derivatives
Trading liabilities	5,510,831	Including trading account securities sold and derivatives for trading liabilities
Other liabilities	7,571,272	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 Dec. 31, 2020	Remarks	Basel III Template No.
Investments in own capital instruments	2,757		
Common Equity Tier 1 capital	2,757		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)	870,552		
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)	870,552		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)	982,108		
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)	874,848		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2020	Remarks	Ref. No.
Stock acquisition rights	1,798		8-a
Non-controlling interests	68,109		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2020	Remarks	Basel III Template No.
Amount allowed in group CET1	1,181	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	10,572	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	2,008	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 Dec. 31, 2020	Remarks	Ref. No.
Borrowed money	17,530,442		9-a
Bonds	8,605,083		9-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 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	655,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	866,363		46