

CC1: Composition of regulatory capital

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c
		As of September 30, 2021	As of June 30, 2021	Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves (1)				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,197,790	7,333,230	
1a	of which: capital and capital surplus	3,527,243	3,527,294	
2	of which: retained earnings	4,012,879	3,805,935	
1c	of which: treasury stock (-)	—	—	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	342,332	—	
	of which: other than the above	—	—	
1b	Stock acquisition rights to common shares	—	—	
3	Accumulated other comprehensive income and other disclosed reserves	2,077,297	1,978,077	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	1,160	1,135	
6	Common Equity Tier 1 capital: instruments and reserves (A)	9,276,247	9,312,442	
Common Equity Tier 1 capital: regulatory adjustments (2)				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	257,533	254,811	
8	of which: goodwill (including those equivalent)	6,883	7,419	
9	of which: other intangibles other than goodwill and mortgage servicing rights	250,650	247,391	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,105	2,330	
11	Net deferred gains or losses on hedges	4,716	31,287	
12	Shortfall of eligible provisions to expected losses	—	—	
13	Securitisation gain on sale	57,810	56,913	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	10,003	10,536	
15	Net defined benefit asset	400,265	394,644	
16	Investments in own shares (excluding those reported in the Net assets section)	—	—	
17	Reciprocal cross-holdings in common equity	—	—	

18	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)		—	—
19+20+21	Amount exceeding the 10% threshold on specified items		—	—
19	of which: significant investments in the common stock of financials		—	—
20	of which: mortgage servicing rights		—	—
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)		—	—
22	Amount exceeding the 15% threshold on specified items		—	—
23	of which: significant investments in the common stock of financials		—	—
24	of which: mortgage servicing rights		—	—
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)		—	—
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		—	—
28	Common Equity Tier 1 capital: regulatory adjustments (B)		733,434	750,524
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)		8,542,813	8,561,917
Additional Tier 1 capital: instruments (3)				
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	—
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,155,000	1,155,000
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	17,431	20,343	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	—	—	
33	of which: instruments issued by banks and their special purpose vehicles	—	—	
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	—	
36	Additional Tier 1 capital: instruments (D)		1,172,431	1,175,343

Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	—	—	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	
39	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 common share capital of the entity (amount above the 10% threshold)	—	—	
40	Significant investments in the Additional Tier 1 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	25,525	25,525	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	—	
43	Additional Tier 1 capital: regulatory adjustments (E)	25,525	25,525	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,146,905	1,149,817	
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,689,718	9,711,735	
Tier 2 capital: instruments and provisions (4)				
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—	
	Stock acquisition rights to Tier 2 instruments	—	—	
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	778,809	765,821	
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group T2)	3,124	3,760	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	203,452	203,452	
47	of which: instruments issued by banks and their special purpose vehicles	203,452	203,452	
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	—	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	66,331	49,542	
50a	of which: general reserve for possible loan losses	17,421	16,557	
50b	of which: eligible provisions	48,909	32,984	
51	Tier 2 capital: instruments and provisions (H)	1,051,717	1,022,577	

Tier 2 capital: regulatory adjustments (5)				
52	Investments in own Tier 2 instruments		—	—
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		—	—
54	Investments in the capital and other TLAC liabilities 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 common share capital of the entity (amount above the 10% threshold)		—	—
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		33,585	33,183
57	Tier 2 capital: regulatory adjustments (I)		33,585	33,183
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)		1,018,132	989,394
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)		10,707,851	10,701,130
Risk weighted assets (6)				
60	Total risk-weighted assets (RWA) (L)		62,238,855	61,794,715
Capital ratios (consolidated) (7)				
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))		13.72%	13.85%
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))		15.56%	15.71%
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))		17.20%	17.31%
Regulatory adjustments (8)				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)		560,020	514,486
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		506,674	495,460
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)		—	—
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)		5,433	4,347

Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general reserve for possible loan losses)	17,421	16,557	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	22,732	24,691	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	48,909	32,984	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	283,898	281,579	
Capital instruments subject to transitional arrangements (10)				
82	Current cap on AT1 instruments subject to transitional arrangements	123,785	123,785	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	—	—	
84	Current cap on T2 instruments subject to transitional arrangements	203,452	203,452	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	16,952	36,664	