

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, 2021)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	72,681,889		
Call loans and bills bought	2,841,603		
Receivables under resale agreements	4,936,834		
Receivables under securities borrowing transactions	4,937,235		
Monetary claims bought	4,848,405		
Trading assets	6,082,985		7-a
Money held in trust	309		
Securities	35,919,669		3-b, 7-b
Loans and bills discounted	84,236,322		7-c
Foreign exchanges	2,575,817		
Lease receivables and investment assets	232,420		
Other assets	8,621,178		7-d
Tangible fixed assets	1,483,830		
Intangible fixed assets	740,332		3-a
Net defined benefit asset	575,970		4
Deferred tax assets	32,027		5-a
Customers' liabilities for acceptances and guarantees	10,005,586		
Reserve for possible loan losses	(632,412)		
Total assets	240,120,007		
Liabilities			
Deposits	141,732,369		
Negotiable certificates of deposit	12,376,310		
Call money and bills sold	1,611,268		
Payables under repurchase agreements	15,018,033		
Payables under securities lending transactions	1,265,515		
Commercial paper	2,367,935		
Trading liabilities	4,092,409		7-e
Borrowed money	17,932,656		9-a
Foreign exchanges	1,316,671		

Short-term bonds	415,000		
Bonds	9,045,849		9-b
Due to trust account	2,280,709		
Other liabilities	7,829,210		7-f
Reserve for employee bonuses	33,985		
Net defined benefit liability	35,051		
Reserve for executive retirement benefits	883		
Reserve for point service program	24,799		
Reserve for reimbursement of deposits	8,794		
Reserve for losses on interest repayment	130,929		
Reserves under the special laws	3,929		
Deferred tax liabilities	542,888		5-b
Deferred tax liabilities for land revaluation	29,521		5-c
Acceptances and guarantees	10,005,586		
Total liabilities	228,100,308		
Net assets			
Capital stock	2,341,274		1-a
Capital surplus	693,061		1-b
Retained earnings	6,557,286		1-c
Treasury stock	(13,441)		1-d
Total stockholders' equity	9,578,181		
Net unrealized gains or losses on other securities	2,106,545		
Net deferred gains or losses on hedges	13,239		6
Land revaluation excess	36,064		
Foreign currency translation adjustments	89,156		
Accumulated remeasurements of defined benefit plans	122,799		
Total accumulated other comprehensive income	2,367,804	(a)	
Stock acquisition rights	1,557		2, 8-a
Non-controlling interests	72,155		8-b
Total net assets	12,019,698		
Total liabilities and net assets	240,120,007		

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, 2021	Remarks	Ref. No.
Capital stock	2,341,274		1-a
Capital surplus	693,061		1-b
Retained earnings	6,557,286		1-c
Treasury stock	(13,441)		1-d
Total stockholders' equity	9,578,181		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,578,181	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,034,335		1a
of which: retained earnings	6,557,286		2
of which: treasury stock (-)	13,441		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, 2021	Remarks	Ref. No.
Stock acquisition rights	1,557		2
of which: Stock acquisition rights issued by bank holding company	1,557		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,557		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, 2021	Remarks	Ref. No.
Intangible fixed assets	740,332		3-a
Securities	35,919,669		3-b
of which: goodwill attributable to equity-method investees	40,098		
Income taxes related to above	177,984		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Goodwill (including those equivalent)	178,576		8
Other intangibles other than goodwill and mortgage servicing rights	423,870	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, 2021	Remarks	Ref. No.
Net defined benefit asset	575,970		4
Income taxes related to above	176,222		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Net defined benefit asset	399,747		15

5. Deferred tax assets

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of June 30, 2021	Remarks	Ref. No.
Deferred tax assets	32,027		5-a
Deferred tax liabilities	542,888		5-b
Deferred tax liabilities for land revaluation	29,521		5-c
Tax effects on intangible fixed assets	177,984		
Tax effects on net defined benefit asset	176,222		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,905	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)	4,976	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)	4,976		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, 2021	Remarks	Ref. No.
Net deferred gains or losses on hedges	13,239		6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	15,067	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 June 30, 2021	Remarks	Ref. No.
Trading assets	6,082,985	Including trading account securities and derivatives for trading assets	7-a
Securities	35,919,669		7-b
Loans and bills discounted	84,236,322	Including subordinated loans	7-c
Other assets	8,621,178	Including derivatives	7-d
Trading liabilities	4,092,409	Including trading account securities sold and derivatives for trading liabilities	7-e
Other liabilities	7,829,210	Including derivatives	7-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Investments in own capital instruments	4,706		
Common Equity Tier 1 capital	4,706		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)	1,219,301		
Common Equity Tier 1 capital	109,805		18
Additional Tier 1 capital	2,630		39
Tier 2 capital and other TLAC liabilities	24,069		54
Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deductions (before risk weighting)	1,082,796		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)	979,625		
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	33,183		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	920,916		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2021	Remarks	Ref. No.
Stock acquisition rights	1,557		8-a
Non-controlling interests	72,155		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2021	Remarks	Basel III Template No.
Amount allowed in group CET1	1,135	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	14,521	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	2,390	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, 2021	Remarks	Ref. No.
Borrowed money	17,932,656		9-a
Bonds	9,045,849		9-b
Total	26,978,505		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2021	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	654,592		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	762,454		46