

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 March 31, 2023	As of December 31, 2022	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		7,694,942	7,661,724	
1a		of which: capital and capital surplus	3,526,676	3,526,727	
2		of which: retained earnings	4,239,771	4,134,997	
1c		of which: treasury stock (-)	—	—	
26		of which: national specific regulatory adjustments (earnings to be distributed) (-)	71,505	—	
		of which: other than the above	—	—	
1b	Stock acquisition rights to common shares		—	—	
3	Accumulated other comprehensive income and other disclosed reserves		1,821,091	1,481,651	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		1,404	1,279	
6	Common Equity Tier 1 capital: instruments and reserves (A)		9,517,439	9,144,656	
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)		254,563	238,858	
8		of which: goodwill (including those equivalent)	3,801	4,415	
9		of which: other intangibles other than goodwill and mortgage servicing rights	250,761	234,442	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		1,292	674	
11	Net deferred gains or losses on hedges		(77,631)	(67,157)	
12	Shortfall of eligible provisions to expected losses		—	—	
13	Securitisation gain on sale		52,939	54,317	
14	Gains and losses due to changes in own credit risk on fair valued liabilities		45,592	39,373	
15	Net defined benefit asset		485,094	445,857	
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)	761,851	711,923	
Common Equity Tier 1 capital (CET1)					
29		Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	8,755,588	8,432,732	
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	1,267,000	1,257,000	
		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)	23,597	24,192	
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)	1,290,597	1,281,192	

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)	82,978	82,978	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	—	
43	Additional Tier 1 capital: regulatory adjustments (E)	82,978	82,978	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,207,618	1,198,214	
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,963,206	9,630,947	
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	766,614	694,498	
	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)	4,491	4,277	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	—	—	
47	of which: instruments issued by banks and their special purpose vehicles	—	—	
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	108,065	31,360	
50a	of which: general reserve for possible loan losses	17,293	16,096	
50b	of which: eligible provisions	90,771	15,263	
51	Tier 2 capital: instruments and provisions (H)	879,171	730,137	

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)	40,062	39,813	
57	Tier 2 capital: regulatory adjustments (I)	40,062	39,813	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	839,109	690,324	
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,802,315	10,321,271	
Risk weighted assets (6)				
60	Total risk-weighted assets (RWA) (L)	70,401,996	70,798,861	
Capital ratios (consolidated) (7)				
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.43%	11.91%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.15%	13.60%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	15.34%	14.57%	
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)	532,660	552,521	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	597,865	652,951	
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)	48,842	202,586	

Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general reserve for possible loan losses)	17,293	16,096	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	30,464	32,114	
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")	90,771	15,263	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	296,379	299,117	
Capital instruments subject to transitional arrangements (10)				
82	Current cap on AT1 instruments subject to transitional arrangements	—	—	
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	—	—	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	—	—	