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, 2022	As of June 30, 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	7,446,400	7,588,567	
1a	of which: capital and capital surplus	3,526,681	3,526,767	
2	of which: retained earnings	4,314,113	4,061,799	
1c	of which: treasury stock (-)	—	—	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	394,394	—	
	of which: other than the above	—	—	
1b	Stock acquisition rights to common shares	—	—	
3	Accumulated other comprehensive income and other disclosed reserves	1,771,285	1,771,938	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	1,387	1,296	
6	Common Equity Tier 1 capital: instruments and reserves (A)	9,219,073	9,361,802	
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)	242,597	238,600	
8	of which: goodwill (including those equivalent)	5,386	5,724	
9	of which: other intangibles other than goodwill and mortgage servicing rights	237,210	232,875	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,786	4,056	
11	Net deferred gains or losses on hedges	33,740	3,505	
12	Shortfall of eligible provisions to expected losses	—	—	
13	Securitisation gain on sale	54,146	54,815	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	53,297	37,561	
15	Net defined benefit asset	440,541	434,935	
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)	826,109	773,474	
Common Equity Tier 1 capital (CET1)					
29		Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	8,392,964	8,588,328	
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	1,235,000	1,235,000	
		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)	18,929	19,451	
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)	1,253,929	1,254,451	

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)	1,228,403	1,228,925	
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,621,367	9,817,253	
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	757,323	765,221	
	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)	4,034	4,616	
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	45,687	58,403	
50a	of which: general reserve for possible loan losses	14,739	13,004	
50b	of which: eligible provisions	30,947	45,399	
51	Tier 2 capital: instruments and provisions (H)	807,045	828,241	

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)	43,443	40,992	
57	Tier 2 capital: regulatory adjustments (I)	43,443	40,992	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	763,602	787,249	
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,384,970	10,604,503	
Risk weighted assets (6)				
60	Total risk-weighted assets (RWA) (L)	72,286,492	70,248,881	
Capital ratios (consolidated) (7)				
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.61%	12.22%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	13.31%	13.97%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	14.36%	15.09%	
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)	549,093	545,199	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	649,706	595,256	
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)	195,687	98,985	

Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general reserve for possible loan losses)	14,739	13,004	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	28,908	26,758	
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")	30,947	45,399	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	306,652	308,188	
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")	—	—	