

## CC1: Composition of regulatory capital

Sumitomo Mitsui Financial Group, Inc. 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
<b>Common Equity Tier 1 capital: instruments and reserves (1)</b>				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	10,163,708	10,047,488	
1a	of which: capital and capital surplus	3,036,589	3,035,687	
2	of which: retained earnings	7,297,926	7,024,916	
1c	of which: treasury stock (-)	13,116	13,116	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	157,690	—	
	of which: other than the above	—	—	
1b	Stock acquisition rights to common shares	1,201	1,226	
3	Accumulated other comprehensive income and other disclosed reserves	2,331,376	2,297,528	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	1,386	1,296	
6	Common Equity Tier 1 capital: instruments and reserves (A)	12,497,673	12,347,539	
<b>Common Equity Tier 1 capital: regulatory adjustments (2)</b>				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	890,465	880,039	
8	of which: goodwill (including those equivalent)	461,929	457,766	
9	of which: other intangibles other than goodwill and mortgage servicing rights	428,536	422,272	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	10,745	12,983	
11	Net deferred gains or losses on hedges	42,471	1,740	
12	Shortfall of eligible provisions to expected losses	25,688	7,979	
13	Securitisation gain on sale	54,146	54,815	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	55,712	38,760	
15	Net defined benefit asset	445,758	440,301	
16	Investments in own shares (excluding those reported in the Net assets section)	1,478	1,040	
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)	90,385	119,528		
19+20+21	Amount exceeding the 10% threshold on specified items	198,990	45,422		
19	of which: significant investments in the common stock of financials	198,990	45,422		
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)	1,815,843	1,602,613		
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	10,681,830	10,744,926		
<b>Additional Tier 1 capital: instruments (3)</b>					
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	735,000	734,899	
		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)	25,216	21,391		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	—	—		
33	of which: instruments issued by bank holding companies and their special purpose vehicles	—	—		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	—	—		
36	Additional Tier 1 capital: instruments (D)	760,216	756,291		

<b>Additional Tier 1 capital: regulatory adjustments</b>				
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)	1,077	1,374	
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)	26,603	26,900	
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E)) (F)	733,613	729,390	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	11,415,443	11,474,317	
<b>Tier 2 capital: instruments and provisions (4)</b>				
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	756,452	762,510	
	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)	5,514	5,073	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	—	—	
47	of which: instruments issued by bank holding companies and their special purpose vehicles	—	—	
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	—	—	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	77,463	73,495	
50a	of which: general reserve for possible loan losses	77,463	73,495	
50b	of which: eligible provisions	—	—	
51	Tier 2 capital: instruments and provisions (H)	839,430	841,079	

<b>Tier 2 capital: regulatory adjustments (5)</b>				
52	Investments in own Tier 2 instruments		0	0
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)		17,891	23,438
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions		—	—
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)		61,334	64,430
<b>Tier 2 capital (T2)</b>				
58	Tier 2 capital (T2) ((H)-(I)) (J)		778,095	776,649
<b>Total capital (TC = T1 + T2)</b>				
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)		12,193,539	12,250,966
<b>Risk weighted assets (6)</b>				
60	Total risk-weighted assets (RWA) (L)		77,971,394	76,456,234
<b>Capital ratios (consolidated) and buffers (7)</b>				
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))		13.69%	14.05%
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))		14.64%	15.00%
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))		15.63%	16.02%
64	CET1 specific buffer requirement		3.53%	3.53%
65	of which: capital conservation buffer requirement		2.50%	2.50%
66	of which: countercyclical buffer requirement		0.03%	0.03%
67	of which: G-SIB/D-SIB additional requirement		1.00%	1.00%
68	CET1 available after meeting the minimum capital requirements		7.63%	8.02%
<b>Regulatory adjustments (8)</b>				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)		1,097,120	1,090,987
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		1,088,082	1,079,034
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)	355,424	259,447	
<b>Provisions included in Tier 2 capital: instruments and provisions (9)</b>				
76	Provisions (general reserve for possible loan losses)	83,905	77,391	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	77,463	73,495	
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")	—	—	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	333,304	336,076	
<b>Capital instruments subject to transitional arrangements (10)</b>				
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")	—	—	