

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 Sep. 30, 2022)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	70,792,739		
Call loans and bills bought	6,966,151		
Receivables under resale agreements	4,939,894		
Receivables under securities borrowing transactions	5,164,745		
Monetary claims bought	5,750,967		
Trading assets	9,457,976		7-a
Money held in trust	9,698		
Securities	32,550,380		3-b, 7-b
Loans and bills discounted	100,873,464		7-c
Foreign exchanges	2,867,296		
Lease receivables and investment assets	232,348		
Other assets	15,309,545		7-d
Tangible fixed assets	1,545,628		
Intangible fixed assets	927,683		3-a
Net defined benefit asset	642,198		4
Deferred tax assets	94,666		5-a
Customers' liabilities for acceptances and guarantees	14,425,845		
Reserve for possible loan losses	(802,454)		
Total assets	271,748,777		
Liabilities			
Deposits	157,082,471		
Negotiable certificates of deposit	14,513,066		
Call money and bills sold	1,157,518		
Payables under repurchase agreements	16,409,654		
Payables under securities lending transactions	1,155,189		
Commercial paper	2,161,263		
Trading liabilities	8,630,950		7-e
Borrowed money	11,977,900		9-a
Foreign exchanges	1,576,112		
Short-term bonds	317,000		
Bonds	10,595,969		9-b
Due to trust account	2,354,852		
Other liabilities	16,251,302		7-f
Reserve for employee bonuses	57,076		
Net defined benefit liability	36,224		
Reserve for executive retirement benefits	995		
Reserve for point service program	27,227		
Reserve for reimbursement of deposits	2,846		
Reserve for losses on interest repayment	117,817		
Reserves under the special laws	3,902		
Deferred tax liabilities	103,612		5-b
Deferred tax liabilities for land revaluation	29,132		5-c
Acceptances and guarantees	14,425,845		
Total liabilities	258,987,935		
Net assets			
Capital stock	2,342,537		1-a
Capital surplus	694,052		1-b
Retained earnings	7,297,926		1-c
Treasury stock	(13,116)		1-d
Total stockholders' equity	10,321,399		
Net unrealized gains or losses on other securities	960,324		
Net deferred gains or losses on hedges	42,636		6
Land revaluation excess	36,307		
Foreign currency translation adjustments	1,179,188		
Accumulated remeasurements of defined benefit plans	112,919		
Total accumulated other comprehensive income	2,331,376	(a)	
Stock acquisition rights	1,201		2, 8-a
Non-controlling interests	106,864		8-b
Total net assets	12,760,842		
Total liabilities and net assets	271,748,777		

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 Sep. 30, 2022	Remarks	Ref. No.
Capital stock	2,342,537		1-a
Capital surplus	694,052		1-b
Retained earnings	7,297,926		1-c
Treasury stock	(13,116)		1-d
Total stockholders' equity	10,321,399		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	10,321,399	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,036,589		1a
of which: retained earnings	7,297,926		2
of which: treasury stock (-)	13,116		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 Sep. 30, 2022	Remarks	Ref. No.
Stock acquisition rights	1,201		2
of which: Stock acquisition rights issued by bank holding company	1,201		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,201		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 Sep. 30, 2022	Remarks	Ref. No.
Intangible fixed assets	927,683		3-a
Securities	32,550,380		3-b
of which: goodwill attributable to equity-method investees	141,857		

Income taxes related to above

179,075

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Goodwill (including those equivalent)	461,929		8
Other intangibles other than goodwill and mortgage servicing rights	428,536	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 Sep. 30, 2022	Remarks	Ref. No.
Net defined benefit asset	642,198		4
Income taxes related to above	196,439		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Net defined benefit asset	445,758		15

5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2022	Remarks	Ref. No.
Deferred tax assets	94,666		5-a
Deferred tax liabilities	103,612		5-b
Deferred tax liabilities for land revaluation	29,132		5-c
Tax effects on intangible fixed assets	179,075		
Tax effects on net defined benefit asset	196,439		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	10,745	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)	355,424	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)	355,424		75

6. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2022	Remarks	Ref. No.
Net deferred gains or losses on hedges	42,636		6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	42,471	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 Sep. 30, 2022	Remarks	Ref. No.
Trading assets	9,457,976	Including trading account securities and derivatives for trading assets	7-a
Securities	32,550,380		7-b
Loans and bills discounted	100,873,464	Including subordinated loans	7-c
Other assets	15,309,545	Including derivatives	7-d
Trading liabilities	8,630,950	Including trading account securities sold and derivatives for trading liabilities	7-e
Other liabilities	16,251,302	Including derivatives	7-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Investments in own capital instruments	1,478		
Common Equity Tier 1 capital	1,478		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)	1,206,475		
Common Equity Tier 1 capital	90,385		18
Additional Tier 1 capital	1,077		39
Tier 2 capital and other TLAC liabilities	17,891		54
Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deductions (before risk weighting)	1,097,120		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)	1,356,041		
Amount exceeding the 10% threshold on specified items	198,990		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	25,525		40
Tier 2 capital and other TLAC liabilities	43,443		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	1,088,082		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2022	Remarks	Ref. No.
Stock acquisition rights	1,201		8-a
Non-controlling interests	106,864		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	Remarks	Basel III Template No.
Amount allowed in group CET1	1,386	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	25,216	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	5,514	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 Sep. 30, 2022	Remarks	Ref. No.
Borrowed money	11,977,900		9-a
Bonds	10,595,969		9-b
Total	22,573,869		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2022	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	735,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	756,452		46