



SMFG's Management Strategy

**Sumitomo Mitsui Financial Group, Inc.
February & March , 2015**

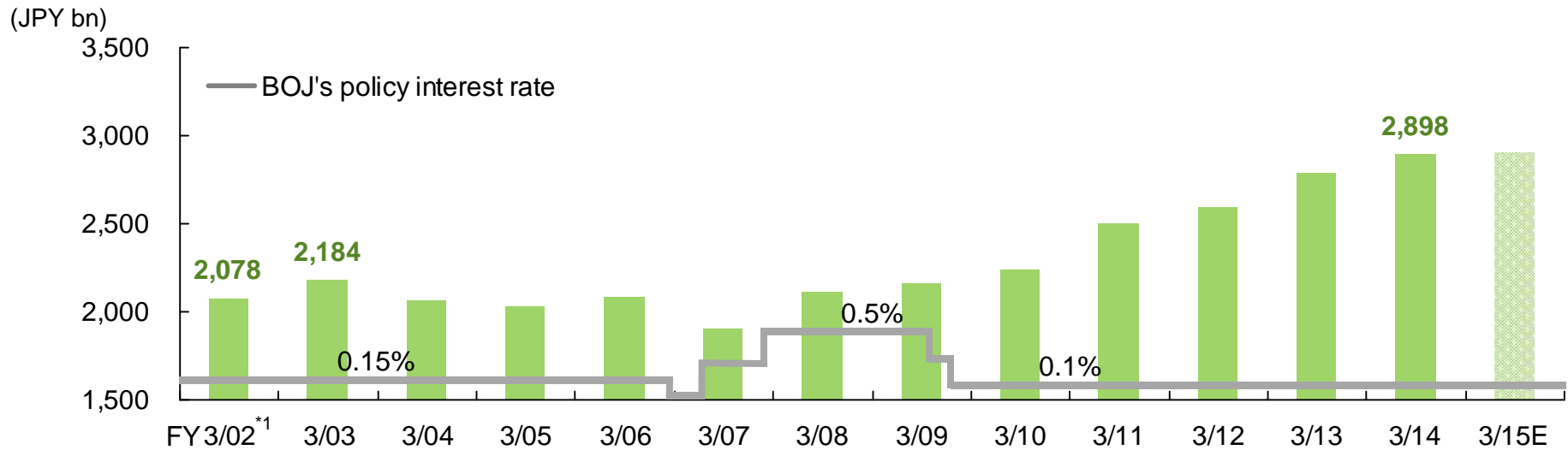
Today's agenda

- 1 Sustainable growth under the low interest rate environment**
- 2 Major growth drivers going forward**
- 3 Well-managed asset portfolio**
- 4 Capital policy**

1. Sustainable growth under the low interest rate environment

Revenue growth under the low interest rate environment

SMFG's consolidated Gross profit



Proportion within SMFG's consolidated Gross profit

	FY3/03	1H, FY3/15
SMBC's domestic loan related income	32%	15%
International business	5%	15%

Consolidation history

Nikko Cordial Securities
(Oct. 2009)

Promise
(Dec. 2011)

Societe Generale Private Banking Japan
(Oct. 2013)

Cedyna
(May 2010)

RBS Aviation Capital
(Jun. 2012)

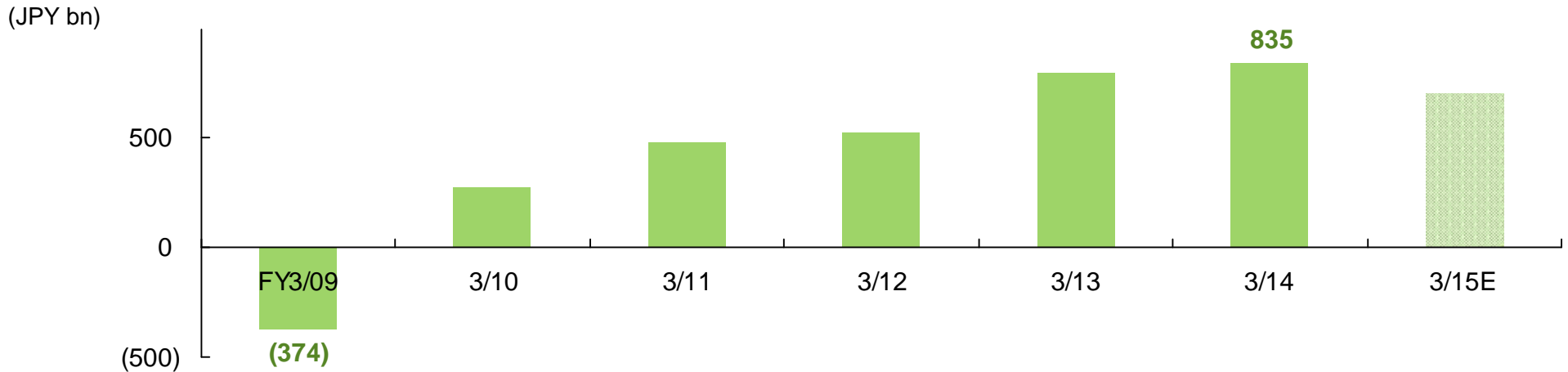
Citibank Japan's retail banking business
(plan Oct. 2015²)

*1 SMBC consolidated *2 Expected to be complete in Oct. 2015, subject to necessary regulatory approvals

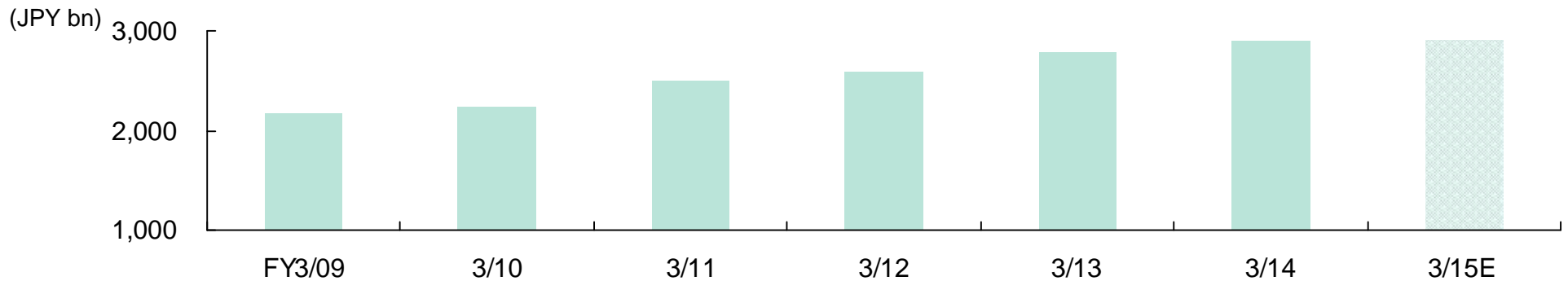
1. Sustainable growth under the low interest rate environment

Strong earnings capability

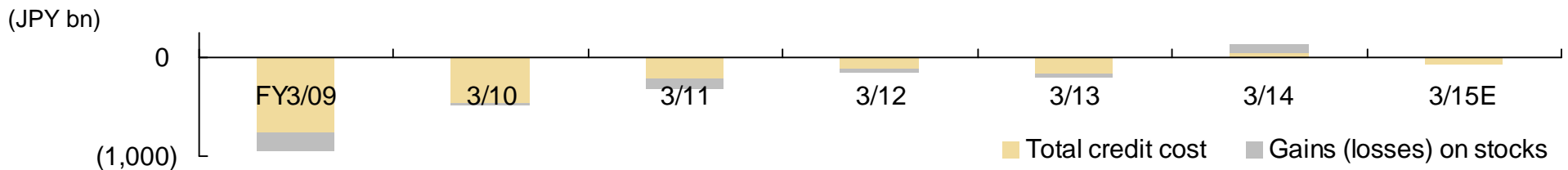
SMFG's consolidated Net income



SMFG's consolidated Gross profit



SMFG's consolidated Total credit cost / Gains (losses) on stocks



1. Sustainable growth under the low interest rate environment

3Q, FY3/2015 financial results (cumulative)

Income statement

		(JPY bn)	Apr. -Dec. 2014 results	YOY change	FY3/15 targets
SMFG consolidated	Consolidated gross profit	USD 18.5 bn ^{*1}	2,230.3	+9.1	
	Variance*2		999.5	(27.8)	
	General and administrative expenses		(1,224.7)	(54.9)	
	Consolidated net business profit		1,005.9	(55.1)	
	Total credit cost		46.3	+16.4	(60)
	Ordinary profit	USD 9.2 bn ^{*1}	1,106.8	(60.3)	1,200
	Variance*2		339.2	(91.8)	400
	Net income	USD 5.7 bn ^{*1}	682.2	(22.5)	700
Variance*2		151.8	(72.9)	170	
SMBC non-consolidated	Gross banking profit	USD 10.2 bn ^{*1}	1,230.8	+36.9	1,540
	Expenses*3		(588.9)	(31.2)	(790)
	Banking profit*4	USD 5.3 bn ^{*1}	641.9	+5.7	750
	Total credit cost		101.9	+21.2	50
	Gains (losses) on stocks		59.7	(31.7)	
	Other non-recurring gains (losses)		(35.9)	+36.3	
	Ordinary profit	USD 6.4 bn ^{*1}	767.6	+31.5	800
	Net income	USD 4.4 bn ^{*1}	530.4	+50.4	530

Contribution of subsidiaries to SMFG's Net income

	(JPY bn)	Apr. -Dec. 2014	YOY change
SMBC Nikko Securities		45	(8)
SMBC Consumer Finance		41	(9)
Sumitomo Mitsui Finance and Leasing		23	+1
Cedyna		22	+3
SMBC Guarantee		14	(4)
Sumitomo Mitsui Card		13	(2)
SMBC Friend Securities		7	(4)

Domestic loan-to-deposit spread

(SMBC non-consolidated)

(%)	Apr.-Dec. 2014	Apr. -Jun.	Jul. -Sep.	Oct. -Dec.
Interest earned on loans and bills discounted	1.33	1.35	1.33	1.30
Interest paid on deposits, etc.	0.03	0.03	0.03	0.04
Loan-to-deposit spread	1.30	1.32	1.30	1.26

Credit ratings (SMBC)

Moody's	S&P	Fitch	R&I	JCR
A1/P-1	A+/A-1	A-/F1	AA-/a-1+	AA/J-1+

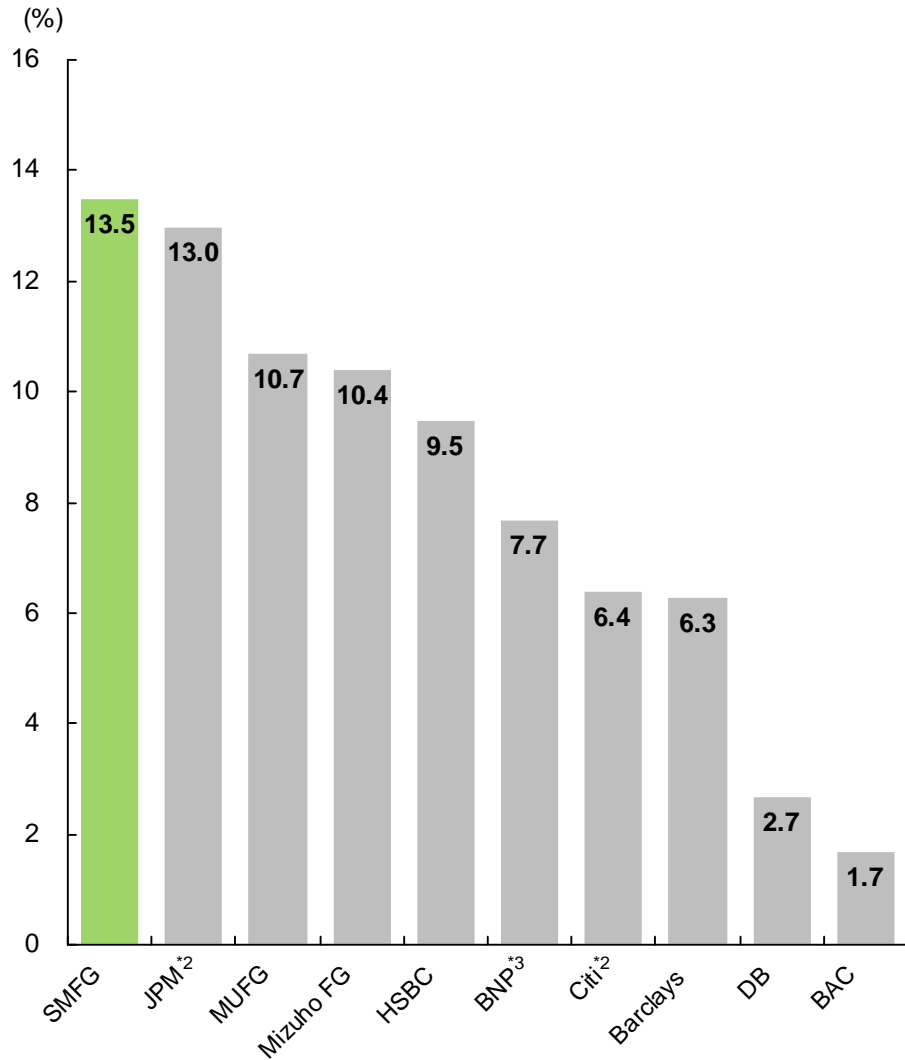
*1 Translated into USD at period-end exchange rate of USD 1 = JPY 120.56 *2 SMFG consolidated figures minus SMBC non-consolidated figures

*3 Excludes non-recurring losses *4 Before provision for general reserve for possible loan losses

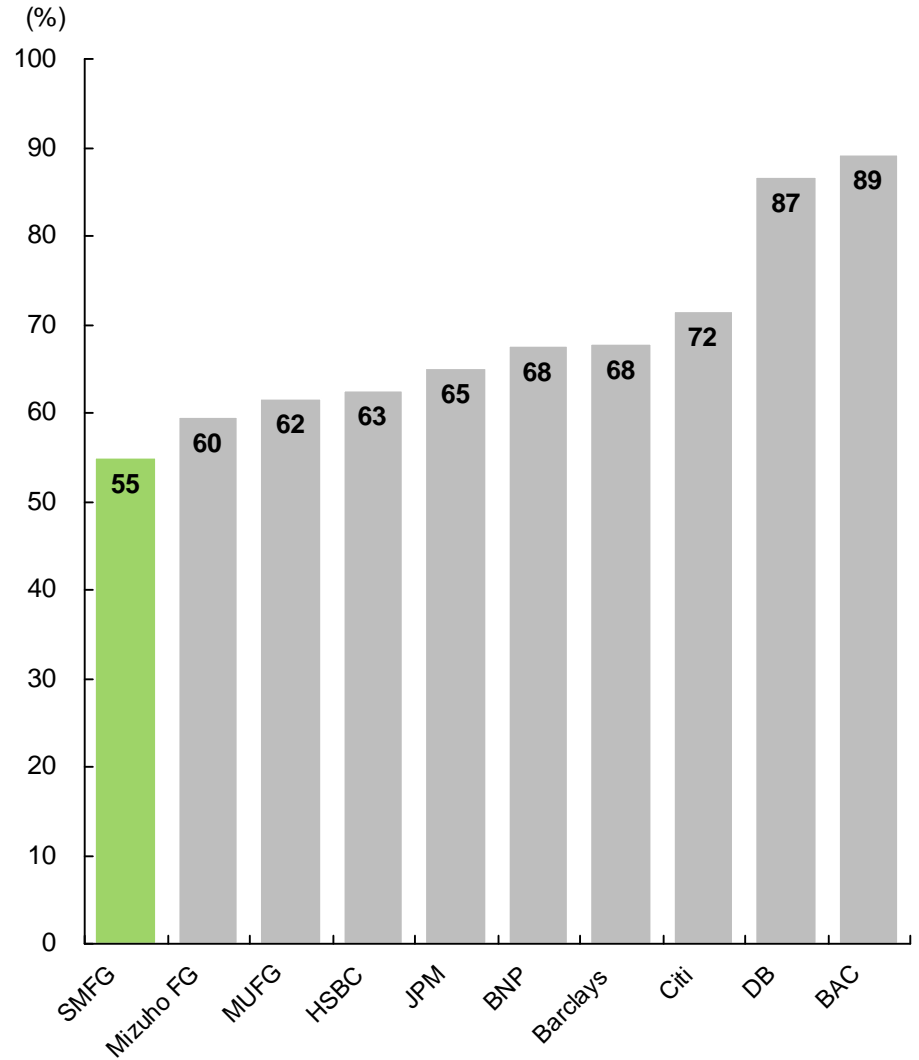
1. Sustainable growth under the low interest rate environment

Peer comparison (1) High ROE / Low OHR

ROE*1



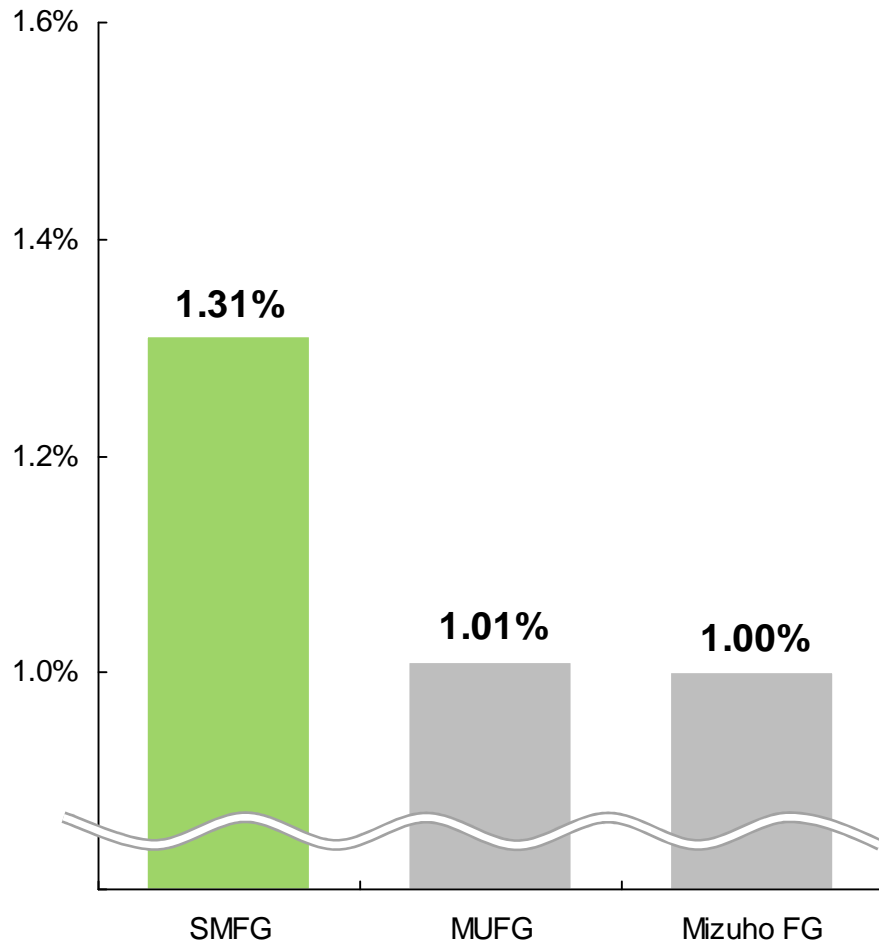
Overhead ratio on a group consolidated basis*4



1. Sustainable growth under the low interest rate environment

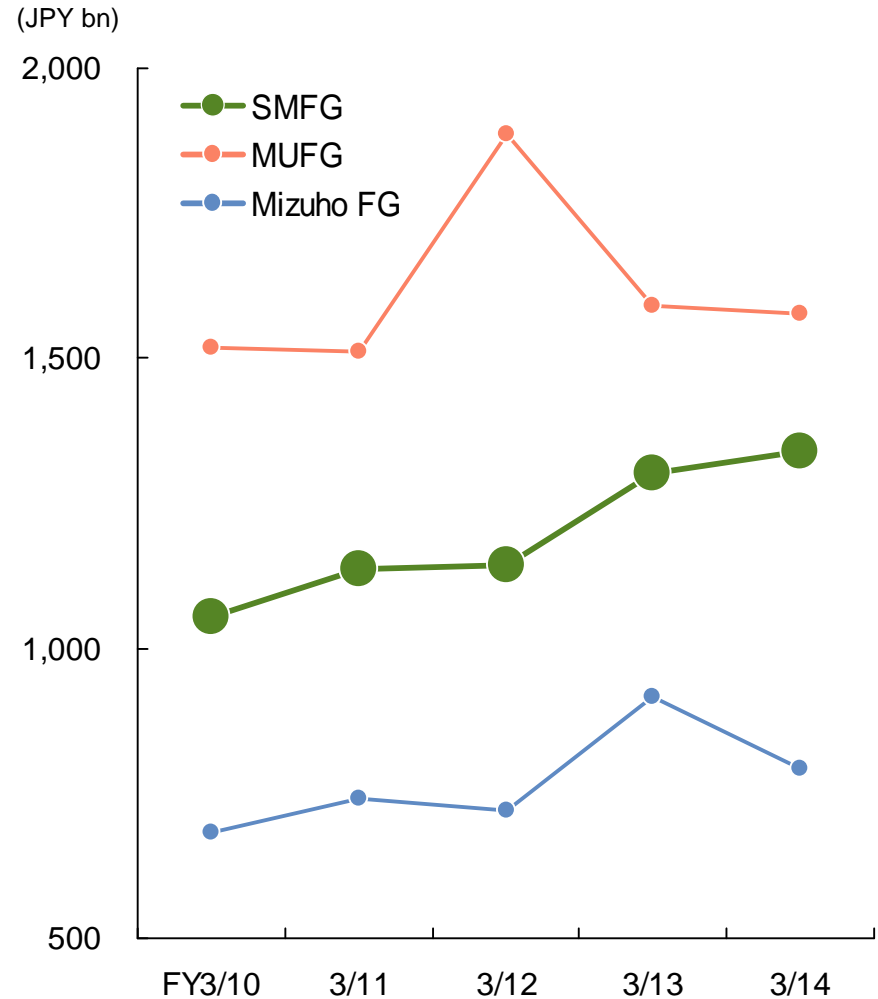
Peer comparison (2) High loan-to-deposit spread / Profit growth

Domestic loan-to-deposit spread*1



Proportion of loans to individuals & SMEs	SMFG	MUFG	Mizuho FG
	67.9%	58.0%	57.5%

Consolidated business profit*2



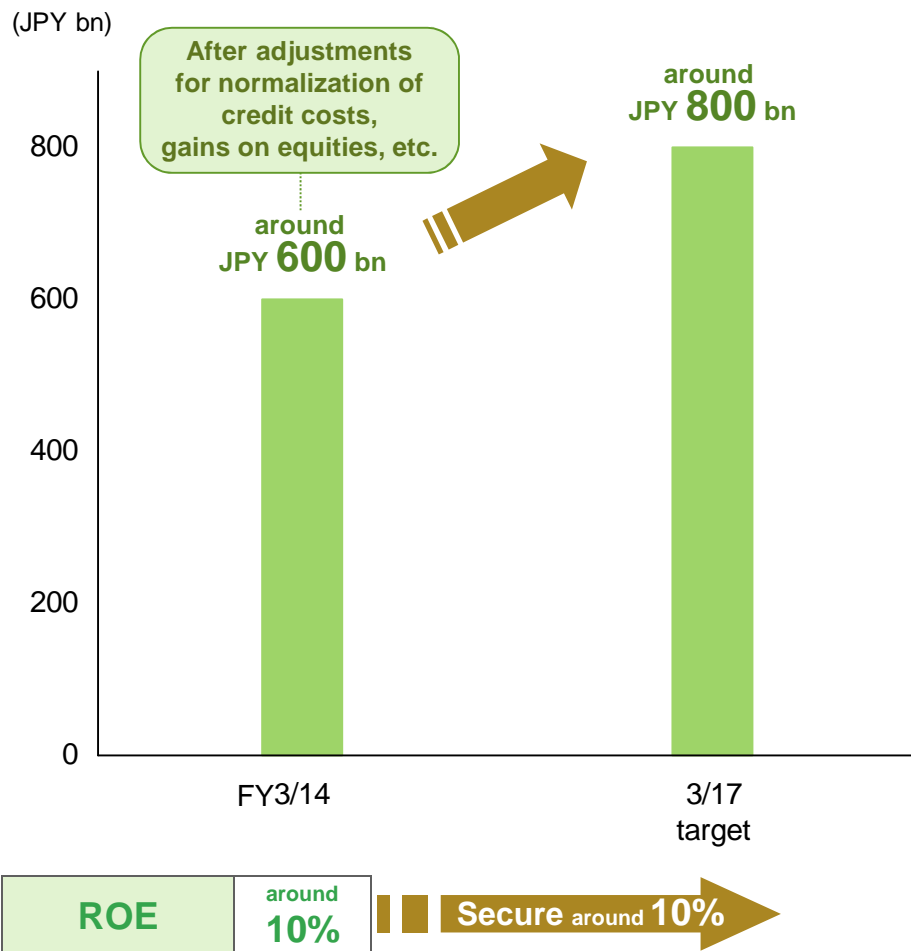
*1 Based on each company's 1H, FY3/15 disclosure. The figures shown in the graph are: non-consolidated figures of SMBC for SMFG, non-consolidated figures of The Bank of Tokyo-Mitsubishi UFJ for MUFG, and non-consolidated figures of Mizuho Bank for Mizuho FG

*2 Based on each company's disclosure. Consolidated business profit = Consolidated gross profit - G&A expenses + Equity in gains (losses) of affiliates.

2. Major growth drivers going forward

Growth targets for FY3/2015-FY3/2017

SMFG's consolidated Net income / ROE

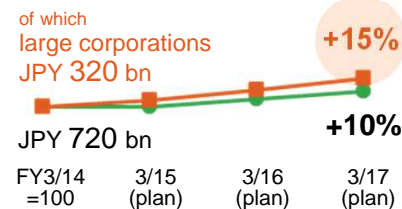


Consolidated gross profit*

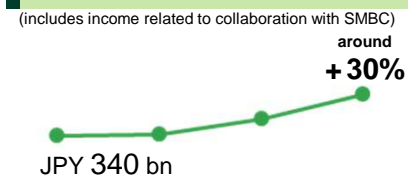
- Aim to increase consolidated gross profit by 15% in 3 years (FY3/14 JPY 2.9 tn → FY3/17 target JPY 3.3 tn)

Organic growth

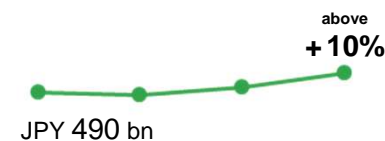
Wholesale Banking Unit



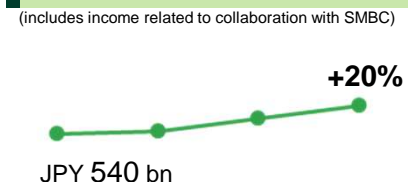
SMBC Nikko Securities



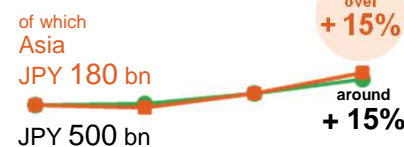
Retail Banking Unit



Consumer finance / Credit card



International Banking Unit



Treasury Unit



+

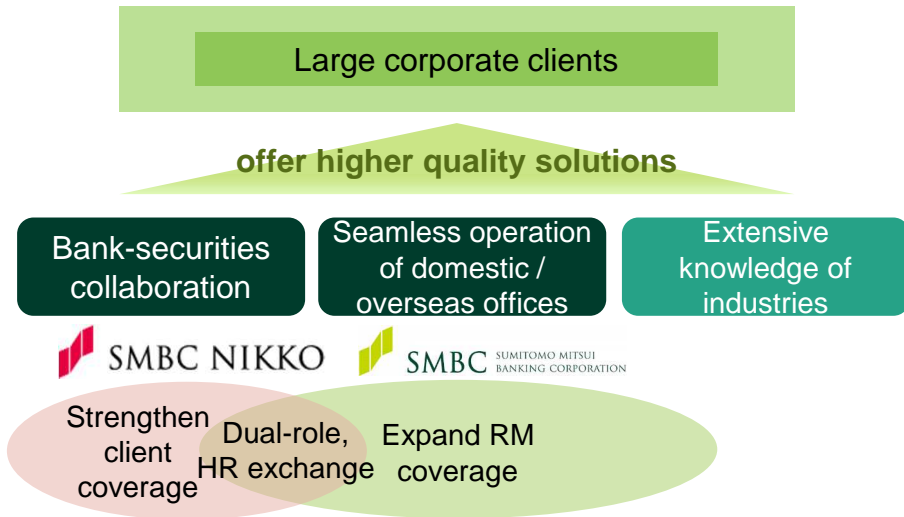
Inorganic growth

* FY3/17 targeted consolidated gross profit in comparison with FY3/14 figure. After adjustments for changes in interest rates and exchange rates, etc.

2. Major growth drivers going forward

Wholesale business

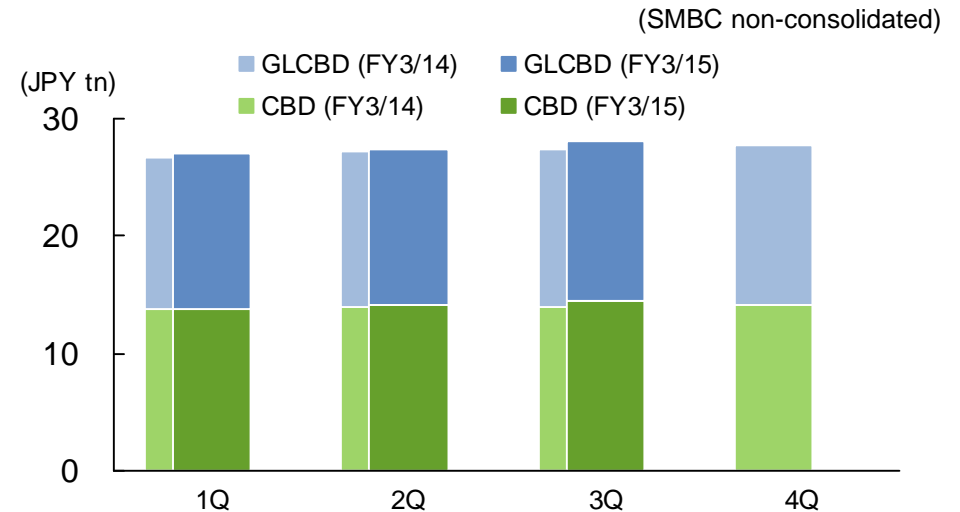
Unique G-CIB model (large corporations)



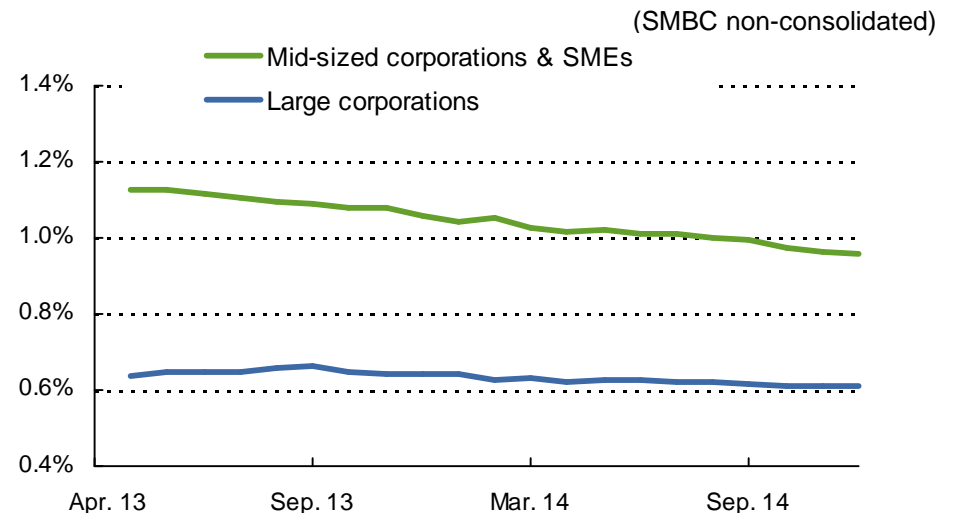
League tables (SMBC Nikko Securities, Apr. -Dec. 2014)

	Rank	Mkt share
Global equity & equity-related (book runner, underwriting amount) ^{*1}	#2	17.2%
JPY denominated bonds (lead manager, underwriting amount) ^{*2}	#5	15.5%
Financial advisor (M&A, No. of deals) ^{*3}	#3	2.5%
Financial advisor (M&A, transaction volume) ^{*3}	#10	6.3%

Loan balance of Wholesale Banking Unit^{*4, 5}



Domestic corporate loan spread^{*4, 6}

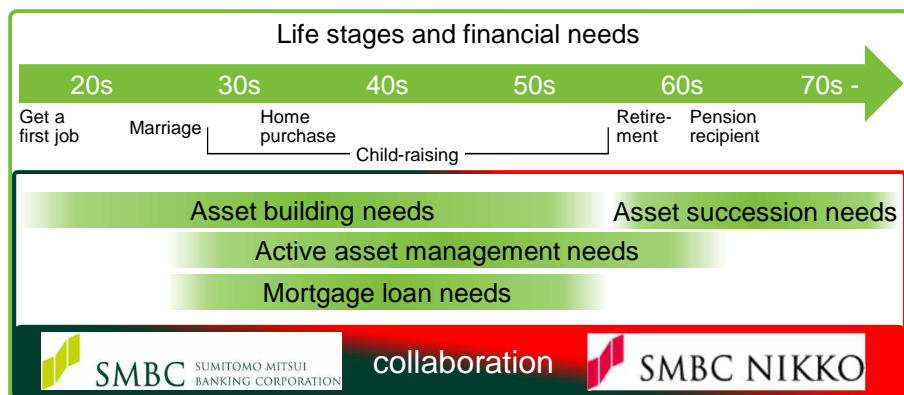


^{*1} Source: SMBC Nikko, based on data from Thomson Reuters. Japanese corporate related only ^{*2} Source: SMBC Nikko, based on data from Thomson Reuters. Consisting of corporate bonds, FILP agency bonds, municipality bonds for proportional shares as lead manager, and samurai bonds ^{*3} Source: Thomson Reuters. Japanese corporate related only. Excludes real estate deals ^{*4} Managerial accounting basis. We revised managerial accounting rules since Apr. 2014, following revision of domestic business structure. Figures for FY3/14 were recalculated based on the new rules ^{*5} Quarterly average. GLCBD stands for the Global Corporate Banking Division and CBD stands for the Corporate Banking Division ^{*6} Monthly average

2. Major growth drivers going forward

Retail business

Bank-securities retail integration

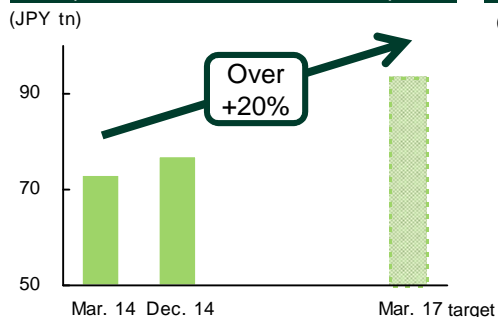


- Expanded the integration model to all offices in Jul. 2014 (SMBC:548 offices, SMBC Nikko:123 branches*1)
- SMBC and/or SMBC Nikko are providing total financial services according to customers' life stages and financial needs

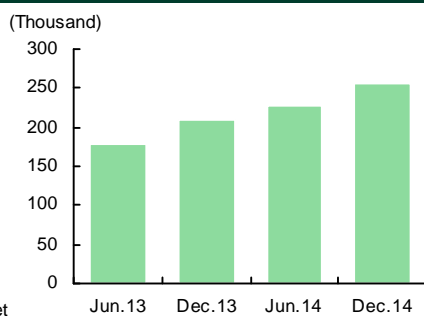
Acquisition of Citibank Japan's retail banking business

- In Dec. 2014, SMBC and Citigroup reached an agreement that SMBC Trust Bank will undertake the acquisition of the retail banking business of Citibank Japan
- Citibank Japan's retail banking business
 - Total deposits: JPY 2,440 bn (as of Sep. 30, 2014)
 - Number of branches: 32 (as of Nov. 30, 2014)
 - Number of customers: approx. 740,000 (as of Sep. 30, 2014)
- Expected to be complete in Oct. 2015, subject to necessary regulatory approvals
- SMBC Trust Bank aims to become a highly unique bank
 - Target affluent individuals who reside in urban areas and are interested in global products and professional services
 - Provide products and services e.g. foreign currency investment products and global services by professional bankers
- SMBC Trust bank strives to grow into the core trust bank within the SMFG group
 - Improve profitability through cost reductions, by the shared use of system infrastructure with SMBC, etc.
- SMFG will enhance a foreign currency funding source

Retail AuM (SMBC + SMBC Nikko)



No. of individual accounts opened at SMBC Nikko through bank-securities collaboration²



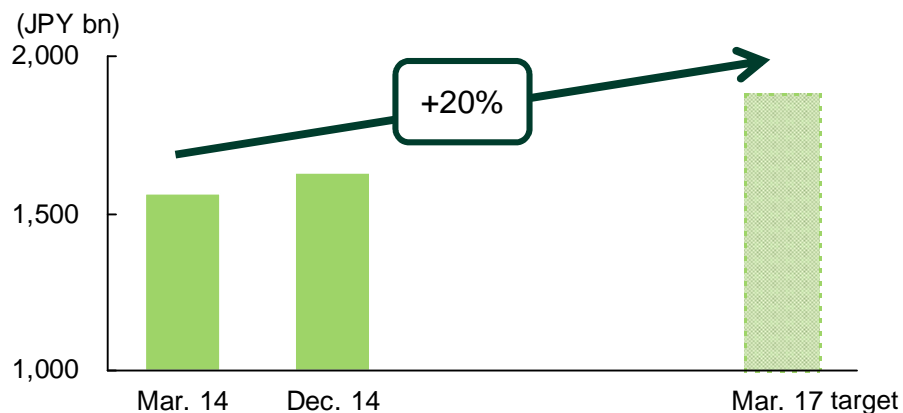
Ref : No. of NISA accounts

- 860 thousand (as of Dec. 31, 2014)*3

2. Major growth drivers going forward

Consumer finance

Balance of unsecured card loans (SMBC + SMBC Consumer Finance)

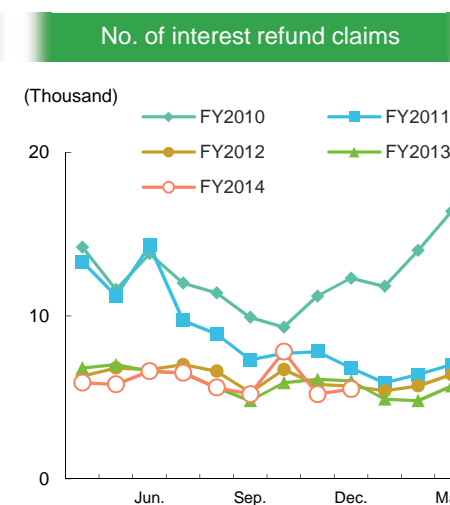
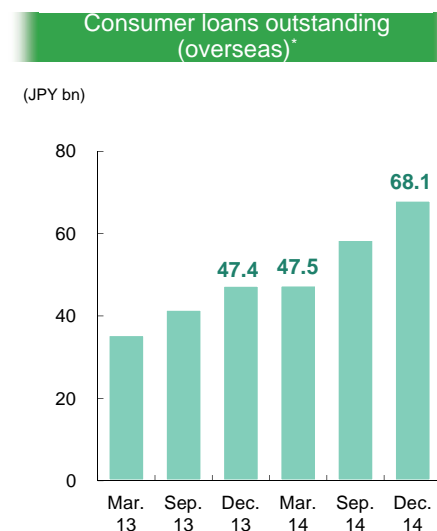
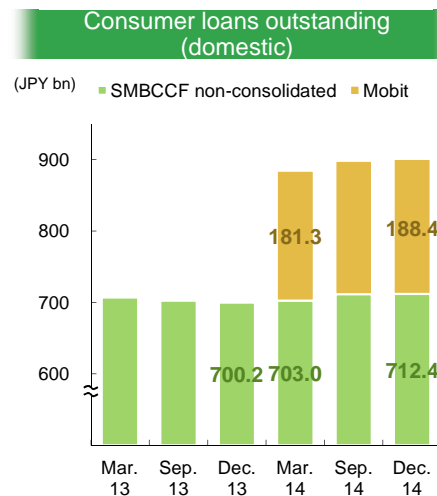


Financial results (SMBC Consumer Finance, consolidated)

(JPY bn)	FY3/14	Apr.-Dec. 2014	YOY change
Operating income	194.8	170.5	+26.0
Losses on interest repayments within Expenses	(38.7)	-	-
Ordinary profit	26.5	46.1	(4.3)
Net income	29.4	41.4	(8.7)

Consumer loans outstanding	937.6	973.9	
Allowance on interest repayments	152.8	99.5	
Loan guarantee	752.6	866.0	No. of companies with guarantee agreements: 189 (as of Dec. 2014)
for regional financial institutions, etc.	274.3	341.4	

SMBC Consumer Finance: Financing / Loan guarantee / Overseas businesses



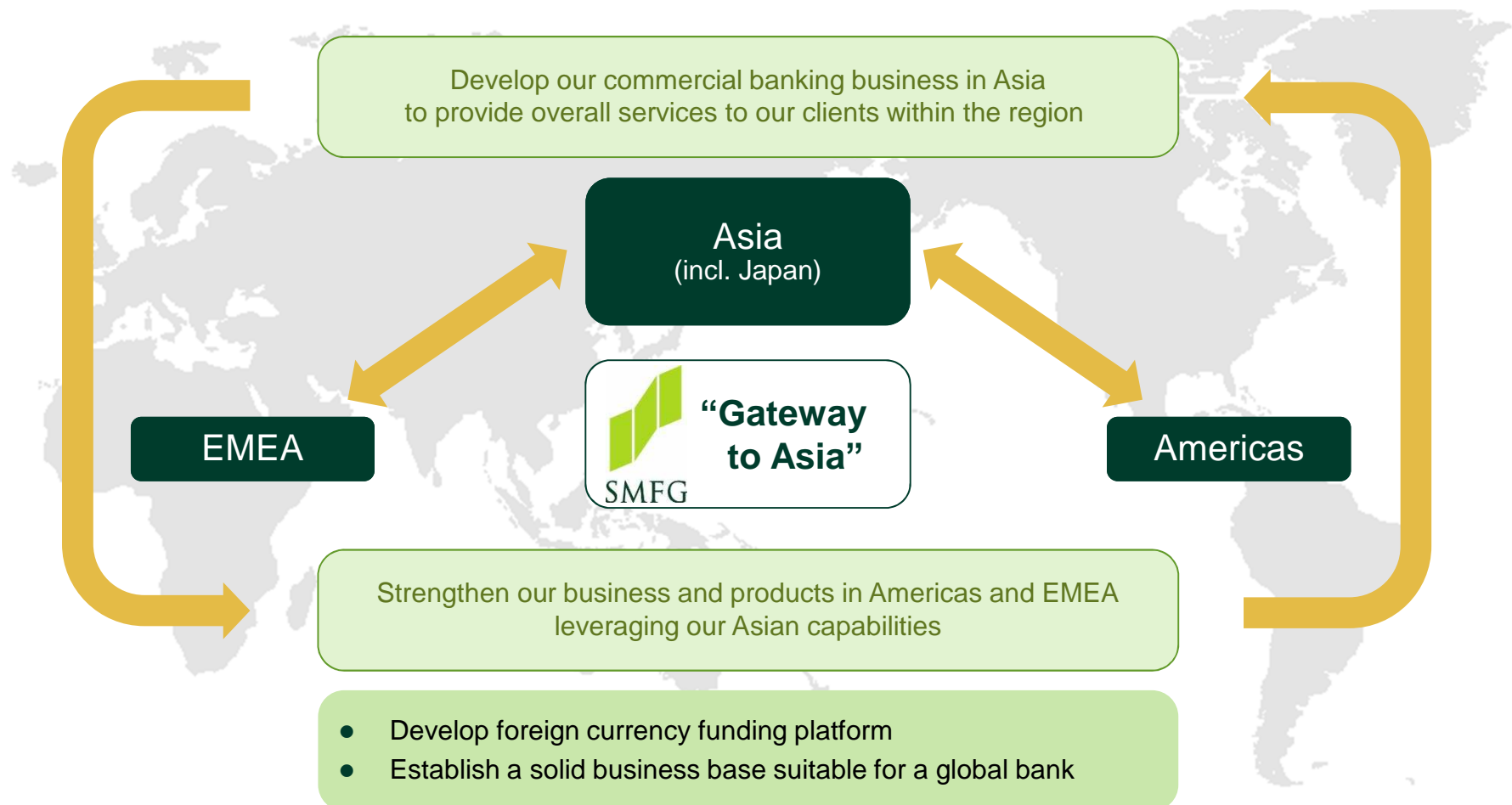
* Translated into Japanese yen at respective period-end exchange rates

2. Major growth drivers going forward

International business: Overview of SMFG's global strategy

- Further improve our ability to serve our clients
- Build a sustainable business model
- Transform from Japan-centric to Asia-centric

Become a global financial group that leads the growth of Japan and the Asian region



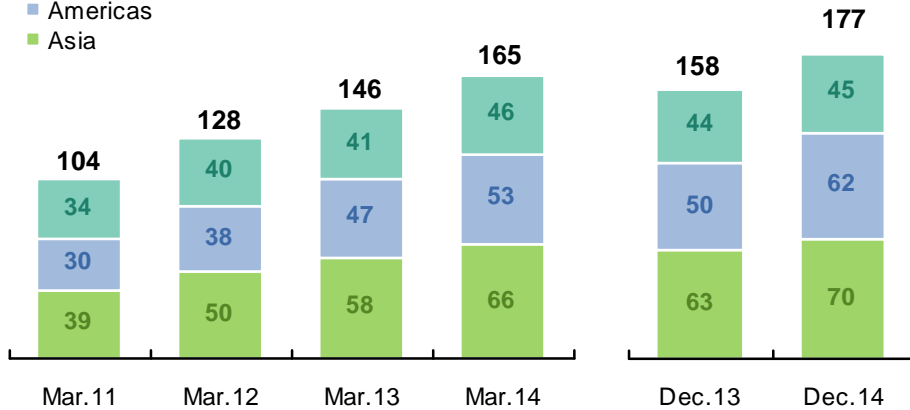
2. Major growth drivers going forward

International business: Overseas loans, funding, and product offerings

Overseas loan balance*1, 2

(USD bn)

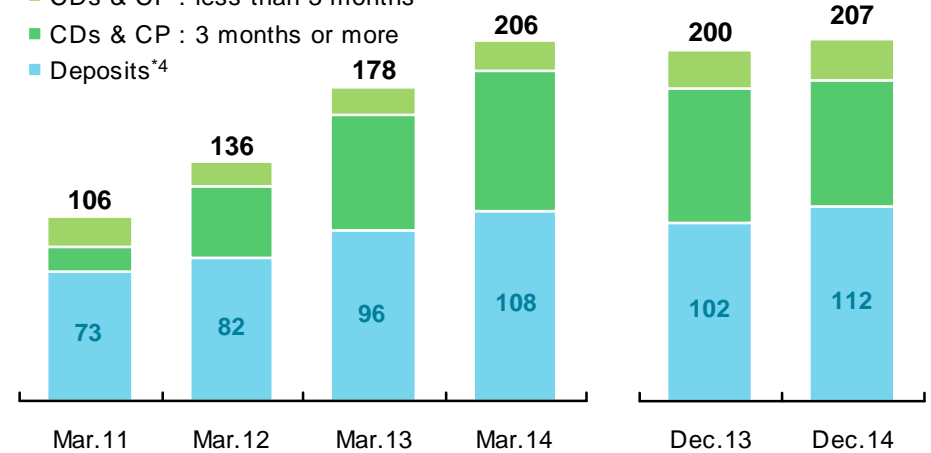
■ EMEA
■ Americas
■ Asia



Overseas deposit balance*1, 2

(USD bn)

■ CDs & CP : less than 3 months
■ CDs & CP : 3 months or more
■ Deposits*4

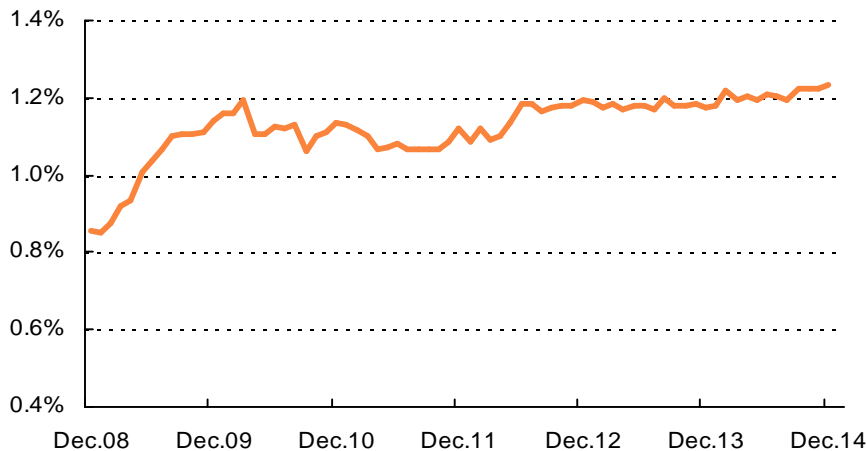


Foreign currency bonds outstanding*5 (USD bn)	Senior	13.6	19.2
	Subordinated	3.2	3.3

	Dec. 13	Dec. 14
Senior	16.6	21.2
Subordinated	3.3	4.9

- Issued senior bonds to overseas investors in Jan. 2015 (USD 2.25bn and EUR 0.75bn) and Feb. 2015 (USD 1.25bn)

Overseas loan spread*1, 3



Project finance / Loan syndication

League tables (Jan. - Dec. 2014)*6

	Global	Asia*7	Japan
Project Finance	#2	#5	
Loan Syndication	#12	#6	#3

- SMBC was Awarded "Global Bank of the Year 2014" by Project Finance International for the 3rd time
- Devised a new scheme to involve regional banks in overseas project financing by using trust account

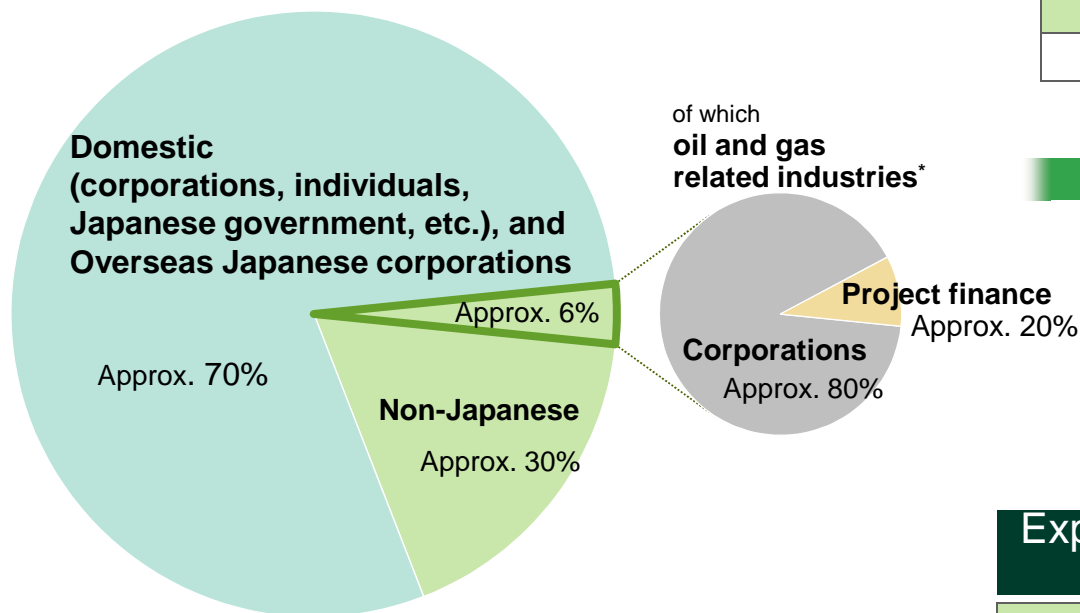


3. Well-managed asset portfolio

Exposure to oil and gas related industries /

Russia / Southern Europe, Middle East and Northern Africa

Exposure to oil and gas related industries within SMFG's consolidated exposure



- Exposure to non-Japanese oil and gas related industries is around USD 50bn. Of the aggregate USD 50bn, the exposure to companies including oil majors, which are susceptible to oil/gas price fluctuation, is less than USD 30bn.
- Within exposure to oil and gas related industries, more than 90% is classified as “1-3” on our internal rating

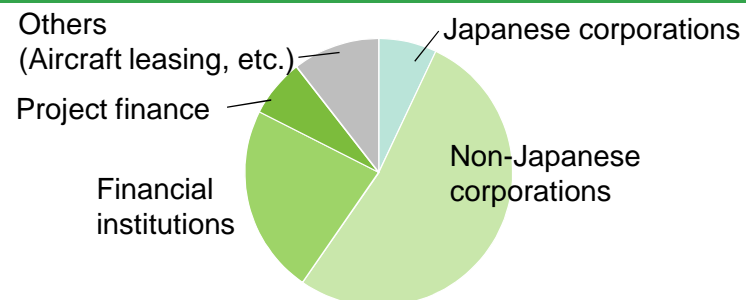
Exposure to Russia

(USD bn)

Mar. 14	Sep. 14	Dec. 14	Change from Mar. 31, 2014
6.2	5.7	5.3	(0.8)

Less than 1% of SMFG's total exposure

Breakdown of exposure to Russia



Exposure to Southern Europe, Middle East and Northern Africa

(USD bn)	Mar. 14	Sep. 14	Dec. 14	Majority
Southern Europe	5.5	5.1	4.7	-
of which Spain	2.4	2.6	2.4	Large corporations and project finance
of which Italy	2.8	2.3	2.2	
of which Portugal	0.0	0.1	0.1	
of which Greece	0.1	0.1	0.1	Aircraft Leasing
Middle East	12.7	12.7	13.6	-
of which Turkey	3.4	3.3	3.5	Trade finance
of which UAE	3.6	3.2	3.4	Large corporations and project finance
of which Qatar	2.1	2.3	2.6	
of which Saudi Arabia	1.7	1.6	2.0	
Northern Africa	0.2	0.2	0.2	-

* Sum of SMBC, SMBC Europe and SMBC (China)

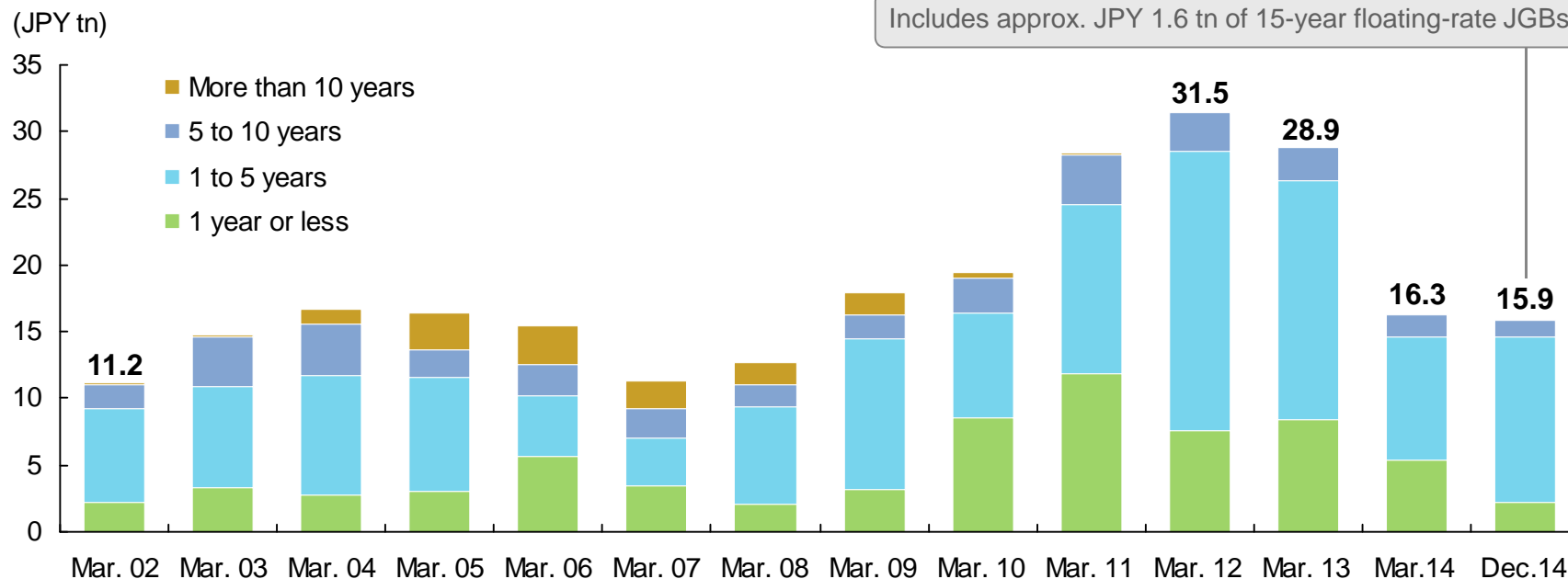
3. Well-managed asset portfolio

Bond portfolio

Yen bond portfolio

SMBC non-consolidated

(Total balance of Other securities with maturities and bonds classified as held-to-maturity – i.e. total of JGBs, Japanese local government bonds and Japanese corporate bonds)



Average duration (years) ^{*1}	2.7	3.6	3.4	2.3	1.5	1.7	2.4	1.8	1.1	1.4	1.9	1.8	1.1	1.9
Unrealized gains (losses) (JPY bn) ^{*2}	37.6	108.7	(101.9)	7.7	(282.2)	(151.4)	(129.5)	(1.2)	116.1	71.9	104.4	95.3	60.0	70.5

*1 Excludes bonds classified as held-to-maturity, bonds for which hedge-accounting is applied, and private placement bonds. Duration of 15-year floating rate JGBs is regarded as zero. Duration at Mar. 02 is for JGB portfolio only

*2 15-year floating-rate JGBs have been evaluated at their reasonably estimated price from Mar. 09

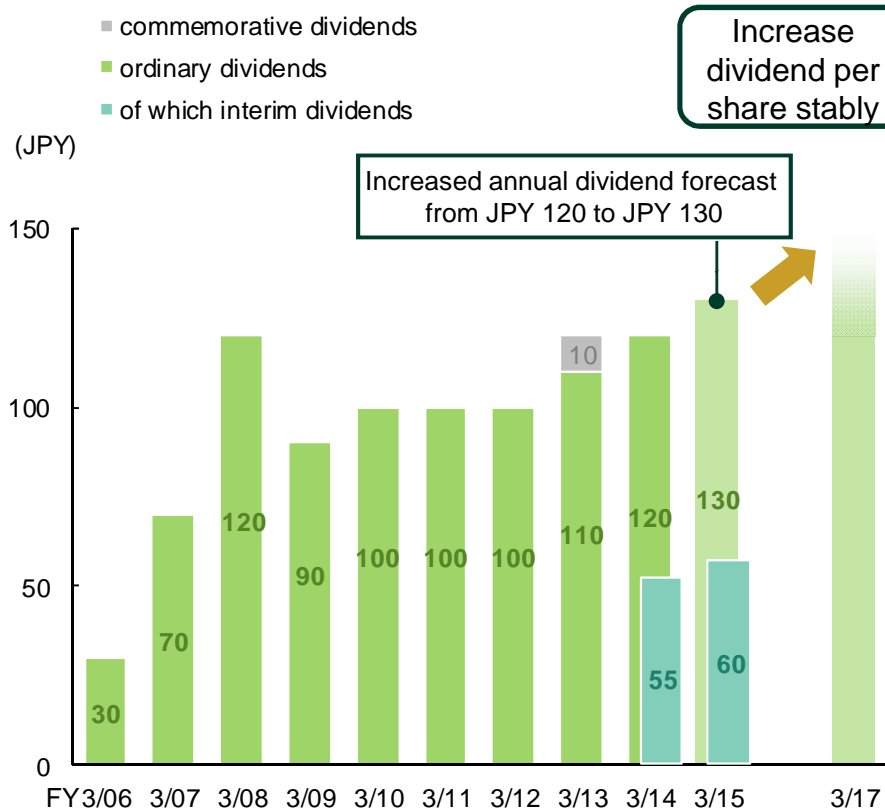
Capital policy (1)

- Increase shareholders value by achieving higher growth and profitability, while maintaining financial soundness, simultaneously aiming to strengthen shareholder return
 - Ensure ROE of around 10%
 - Aim to steadily increase dividend per share
-
- Achieve at least a Common Equity Tier 1 capital ratio of around 10%, as well as a capital buffer which we can use flexibly
 - Secure capacity for growth investments, as well as reserves for downside risks in accordance with economic conditions
 - Pay attention to international financial regulations

4. Capital policy

Capital policy (2)

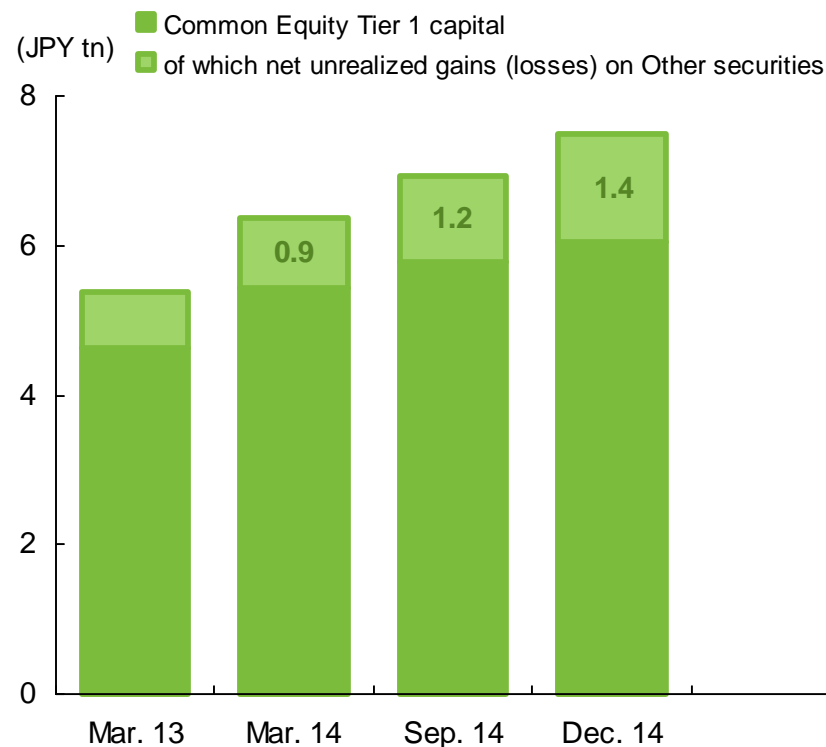
Return to shareholders*1,2



ROE*3	22.8%	13.8%	15.8%	-	7.5%	9.9%	10.4%	14.8%	13.8%	Secure around 10%
Payout ratio*4	3.4%	12.5%	20.5%	-	46.8%	30.0%	26.8%	21.3%	20.3%	26.2%

Dividend yield*5	3/13	3/14	3/15
	3.2%	2.7%	3.3%

Common Equity Tier 1 capital ratio (fully-loaded*6, pro forma)



Risk-weighted assets	JPY 62.1 tn	JPY 61.3 tn	JPY 64.4 tn	JPY 64.7 tn
CET 1 capital ratio [excluding net unrealized gains]	8.6%	10.3% [8.7%]	10.7% [8.8%]	11.5% [9.1%]
Leverage ratio*7	-	-	around 4.4%	around 4.5%

Secure around **10%**

4. Capital policy

Ongoing major regulatory discussions

Regulations		Contents	Schedule	Finalised at BCBS	Domestic regulation	
Capital requirement	Credit risk	Revisions to the Standardised Approach	<ul style="list-style-type: none"> Seeks to improve the standardised approach for credit risk, including reducing reliance on external credit ratings; increasing risk sensitivity; reducing national discretions; strengthening the link between the standardised approach and the internal-rating based (IRB) approach; and enhancing comparability of capital requirements across banks 	<ul style="list-style-type: none"> Under consultation. Comments to BCBS should be provided from Dec.2014 to Mar.27, 2015. Comprehensive data collection and analysis will be made through the QIS in 2015; targeted to be finalised in 2016* 	Unfinished	Unfinished
	Market risk	IRRBB (Interest-rate risk in the banking book)	<ul style="list-style-type: none"> Consideration of a Pillar 1 capital charge for interest rate risk and credit spread risk in the banking book to reduce opportunities to arbitrage the trading book/banking book boundary 	<ul style="list-style-type: none"> Release of consultative document is expected in 2015 	Unfinished	Unfinished
	Operational risk	Revisions to the Standardised Approach	<ul style="list-style-type: none"> Seeks to address the weaknesses identified in the existing approach by (i) refining the operational risk proxy indicator by replacing Gross Income (GI) with a superior indicator, and (ii) improving calibration of the regulatory coefficients based on the results of the quantitative analysis 	<ul style="list-style-type: none"> Under consultation. Comments to BCBS were provided from Oct.2014 to Jan.2015; targeted to be finalised in mid-2015 through 2016* 	Unfinished	Unfinished
	Overall	Capital floors: a framework based on standardised approaches	<ul style="list-style-type: none"> Replacement of the Basel I-based transitional capital floor with a permanent floor based on the Basel II/III standardised approaches for credit, market and operational risks 	<ul style="list-style-type: none"> Under consultation. Comments to BCBS should be provided from Dec.2014 to Mar.27, 2015 To be discussed according to the revisions to the standardised approaches 	Unfinished	Unfinished
Leverage ratio requirement		Leverage ratio	<ul style="list-style-type: none"> Continue to test a minimum requirement of 3% to be introduced in 2018 (from Jan.2013 to Jan.2017). Public disclosure requirement started on Jan.2015 	<ul style="list-style-type: none"> Appropriate level of leverage ratio to be finalised by 2017 at the latest* Domestic regulation under consultation 	Finished	Unfinished
G-SIFI regulation		TLAC (total loss-absorbing capacity)	<ul style="list-style-type: none"> A requirement for loss absorbing capacity on both a going concern and gone concern basis Proposed requirement is set within 16-20% of RWA and at least twice the Basel 3 Tier 1 leverage ratio requirement. This does not include regulatory capital buffers (overall requirement for a resolution entity with a 1% G-SIB surcharge would be 19.5-23.5%) Should be issued and maintained by resolution entities Authorities may permit prior reserving fund under the deposit insurance system as a quantum equivalent of up to 2.5% RWA or more 	<ul style="list-style-type: none"> Under consultation. Comments to FSB were provided from Nov.2014 to Feb.2, 2015 FSB will submit a final version to the G-20 Summit in 2015 Will not become effective before Jan.1, 2019 	Unfinished	Unfinished

* Source: FSB's release as of Feb. 4, 2015

4. Capital policy

Financial targets

		FY3/14	Apr.-Dec. 2014	FY3/17 targets
Growth	Growth rate of Consolidated gross profit	-	+2.6%*¹	around +15%* ²
Profitability	Consolidated ROE	13.8%	13.5%*¹	around 10%
	Consolidated net income RORA	1.4%	1.4%*¹	around 1%
	Consolidated overhead ratio	54.2%	54.9%	in the mid 50%
Soundness	Common Equity Tier 1 Capital Ratio* ³	10.3%	11.5%	around 10%

*1 Annualized *2 FY3/17 targeted consolidated gross profit increase in comparison with FY3/14 figure

*3 Basel III fully-loaded basis. Based on the definition as of March 31, 2019

■ Concluding messages

We have achieved sustainable growth amid the low interest rate environment

We will strive to grow our business by allocating resources into focused areas and by leveraging the group's collective strengths
- large corporate, high-net worth individuals, consumer finance and Asian businesses -

We aim to continue managing high asset quality

**We aim to maintain high profitability and resilient capital base with ROE 10% & CET 1 ratio 10%;
concurrently aim to strengthen shareholders return**

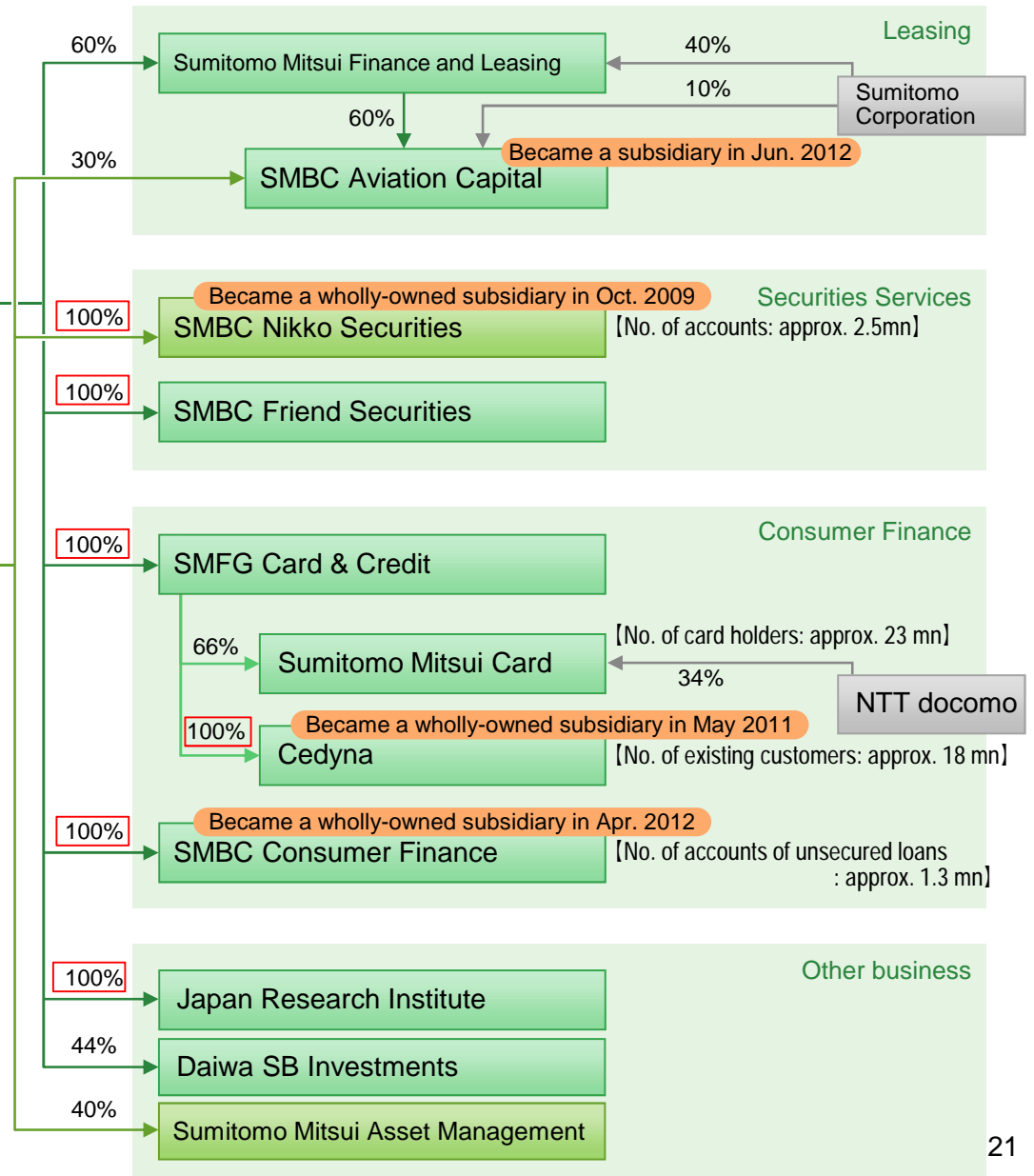
Appendix

Group structure*1

Sumitomo Mitsui Financial Group	
Consolidated total assets	JPY 172 tn
Consolidated Common Equity Tier 1 capital ratio	10.80%

Sumitomo Mitsui Banking Corporation					
Assets	JPY 144 tn				
Deposits	JPY 85 tn				
Loans	JPY 66 tn				
No. of retail accounts	approx. 28 mn				
No. of corporate loan clients	approx. 94,000				
Credit ratings*2	Moody's	S&P	Fitch	R&I	JCR
	A1/P-1	A+/A-1	A-/F1	AA-/a-1+	AA/J-1+

100% → Became a wholly-owned subsidiary in Oct. 2013
SMBC Trust Bank



*1 As of Sep. 30, 2014

*2 As of Dec. 31, 2014

SMFG's consolidated balance sheet and credit ratings

Balance sheet (as of Dec. 2014)

Total assets : JPY 175.7 tn

Cash and due from banks
JPY 33.2 tn

Loans
JPY 72.9 tn

Securities
JPY 28.4 tn

JGB
JPY 13.8 tn

Other assets
JPY 41.3 tn

Deposits,
Negotiable
certificates
of deposits (NCD)
JPY 112.1 tn

Other liabilities
JPY 53.3 tn

Total net assets
JPY 10.3 tn

Total stockholders' equity
JPY 6.9 tn

Loan to deposit ratio	65.0%
Risk-weighted assets	JPY 65.0 tn
ROE (Denominator: Total stockholders' equity)	13.5%

Credit ratings

	SMBC	SMFG
Moody's	A1 / P-1	-
S&P	A+ / A-1	A / A-1
Fitch	A- / F1	A- / F1
R&I	AA- / a-1+	A+ / -
JCR	AA / J-1+	AA- / -

Ref : Per share information

	Apr.-Dec. 2014 results		FY3/15 targets
		YOY change	
Net income	JPY 498.97	JPY (16.99)	JPY 511.98
Dividend	JPY 60	+JPY 5	JPY 130
	Dec. 31, 2014		Revised to JPY 130 from May forecast of JPY 120
		Change from Mar. 31, 2014	
Net assets	JPY 6,180.03	+JPY 856.16	

Earnings targets for FY3/2015

	(JPY bn)	FY3/14 results	FY3/2015 targets		Change from May targets	YOY Change
			1H, FY3/15 results			
SMFG consolidated	Ordinary Profit	USD 13.1 bn ^{**1} 1,432.3	780.5	USD 11.0 bn ^{**1} 1,200	+90	(232.3)
	Variance with SMBC non-consolidated	479.8	188.0	400	+20	(79.8)
	Net income	USD 7.6 bn ^{**1} 835.4	479.5	USD 6.4 bn ^{**1} 700	+20	(135.4)
	Variance with SMBC non-consolidated	230.1	71.3	170	± 0	(60.1)
SMBC non-consolidated	Gross banking profit	USD 14.2 bn ^{**1} 1,558.1	827.8	USD 14.1 bn ^{**1} 1,540	± 0	(18.1)
	Expenses^{*2}	(745.7)	(386.9)	(790)	± 0	(44.3)
	Banking profit^{*3}	USD 7.4 bn ^{**1} 812.4	440.9	USD 6.9 bn ^{**1} 750	± 0	(62.4)
	Total credit cost	123.9	124.2	50	+50	(73.9)
	Gains (losses) on stocks	106.4	48.2			
	Ordinary profit	USD 8.7 bn ^{**1} 952.5	592.5	USD 7.3 bn ^{**1} 800	+70	(152.5)
	Net income	USD 5.5 bn ^{**1} 605.3	408.2	USD 4.8 bn ^{**1} 530	+20	(75.3)

Assumption of earnings targets^{*4}

		May 2014 targets	Nov. 2014 targets
3M TIBOR		0.22%	0.21%
Federal funds target rate		0.00~0.25%	0.00~0.25%
Exchange rate	JPY/USD	100.00	100.00
	JPY/EUR	135.00	135.00

^{*1} Translated into USD at period-end exchange rate of USD 1 = JPY 109.45 ^{*2} Excludes non-recurring losses ^{*3} Before provision for general reserve for possible loan losses
^{*4} Nominal GDP growth rate: FY3/2014 result was +1.9%; FY3/2015 forecast estimated by Japan Research Institute was +1.7% as of May, 2014 and +2.3% as of Nov., 2014
 Nikkei stock average: JPY14,827.83 as of Mar. 31, 2014 and JPY16,173.52 as of Sep. 30, 2014

1H, FY3/2015 financial results

Income statement

		(JPY bn)	1H, FY3/15	YOY change	Change from May targets
SMFG consolidated	Consolidated gross profit	USD 13.2 bn ^{*1}	1,450.1	(59.9)	
	Variance ^{*2}		622.3	(65.9)	
	General and administrative expenses		(804.3)	(23.6)	
	Consolidated net business profit		645.9	(91.6)	
	Total credit cost		88.8	+49.2	+98.8
	Ordinary profit	USD 7.1 bn ^{*1}	780.5	(55.4)	+220.5
	Variance ^{*2}		188.0	(124.3)	+28.0
	Net income	USD 4.4 bn ^{*1}	479.5	(26.2)	+149.5
Variance ^{*2}		71.3	(104.2)	+21.3	
SMBC non-consolidated	Gross banking profit	USD 7.6 bn ^{*1}	827.8	+6.0	+67.8
	of which Net interest income		586.9	+16.0	
	Expenses^{*3}		(386.9)	(18.3)	+3.1
	Banking profit^{*4}	USD 4.0 bn ^{*1}	440.9	(12.3)	+70.9
	Total credit cost		124.2	+45.9	+74.2
	Gains (losses) on stocks		48.2	(28.3)	
	Other non-recurring gains (losses)		(20.8)	+63.7	
	Ordinary profit	USD 5.4 bn ^{*1}	592.5	+68.9	+192.5
	Net income	USD 3.7 bn ^{*1}	408.2	+78.0	+128.2

Contribution of subsidiaries to SMFG's Gross profit

	(JPY bn)	1H, FY3/15	YOY change
SMBC Nikko Securities		146	(35)
SMBC Consumer Finance		106	+19
Sumitomo Mitsui Card		95	+3
Cedyna		83	(2)
Sumitomo Mitsui Finance and Leasing		66	(1)

Contribution of subsidiaries to SMFG's Net income

	(JPY bn)	1H, FY3/15	YOY change
SMBC Consumer Finance		28	(3)
SMBC Nikko Securities		24	(17)
Sumitomo Mitsui Finance and Leasing		15	+0
Cedyna		15	+0
SMBC Guarantee		9	+2
Sumitomo Mitsui Card		8	(1)
SMBC Friend Securities		4	(3)

*1 Translated into USD at period-end exchange rate of USD 1 = JPY 109.45 *2 SMFG consolidated figures minus SMBC non-consolidated figures

*3 Excludes non-recurring losses *4 Before provision for general reserve for possible loan losses

SMFG's performance by business unit*1

		(JPY bn)	1H, FY3/14	FY3/14	1H, FY3/15	YOY change*2	Gross profit performance vs. targets
	Wholesale Banking Unit	Gross profit	347.8	717.6	332.8	(16.5)	↑
		Expenses	(138.0)	(285.1)	(140.8)	(0.8)	
		Net business profit	209.8	432.5	192.0	(17.3)	
	Retail Banking Unit	Gross profit	235.4	480.0	223.3	(12.2)	↓
		Expenses	(175.9)	(354.1)	(178.0)	(2.7)	
		Net business profit	59.5	125.9	45.3	(14.9)	
	International Banking Unit	Gross profit	232.9	495.9	282.7	+23.3	↑
		Expenses	(88.2)	(183.1)	(106.1)	(11.9)	
		Net business profit	144.7	312.8	176.6	+11.4	
	of which Marketing units	Gross profit	816.1	1,693.5	838.8	(5.4)	↑
		Expenses	(402.1)	(822.3)	(424.9)	(15.4)	
		Net business profit	414.0	871.2	413.9	(20.8)	
	of which Treasury Unit	Gross profit	236.9	339.2	221.2	(15.7)	↑
		Expenses	(12.5)	(25.9)	(14.9)	(1.7)	
		Net business profit	224.4	313.3	206.3	(17.4)	
of which Sumitomo Mitsui Finance and Leasing	of which Gross profit	65.6	125.9	65.5	(0.1)	↑	
	of which Expenses	(26.4)	(54.8)	(27.4)	(1.0)		
	Net business profit	40.2	73.0	39.1	(1.1)		
of which SMBC Nikko Securities	Gross profit	185.7	339.6	153.0	(32.0)	↓	
	Expenses	(120.6)	(235.9)	(115.3)	+5.1		
	Net business profit	65.1	103.7	37.7	(26.9)		
of which Consumer finance / Credit card*3	Gross profit	265.9	539.9	283.8	+4.3	↑	
	Expenses	(164.7)	(338.3)	(180.4)	(7.2)		
	Net business profit	101.2	201.6	103.4	(2.9)		
Total (SMFG consolidated)	of which Gross profit	1,510.0	2,898.2	1,450.1	(59.9)	↔	
	of which Expenses	(780.7)	(1,569.9)	(804.3)	(23.6)		
	Net business profit*4	737.4	1,338.5	645.9	(91.6)		

*1 Managerial accounting basis. *2 After adjustments for changes in interest rates and exchange rates, etc.

*3 Sum of Sumitomo Mitsui Card, Cedyne, and SMBC Consumer Finance

*4 Consolidated net business profit = Consolidated gross profit - General and administrative expenses + Equity in earnings (losses) of affiliates.

SMFG changed the definition of "Consolidated net business profit" from FY3/15. The figures for FY3/14 were recalculated based on the new rules

SMBC's performance by business unit*1

		(JPY bn)	1H, FY3/14	FY3/14	1H, FY3/15	YOY change*2
Business Units	Wholesale Banking Unit	Gross banking profit	274.2	558.5	262.5	(12.4)
		Expenses	(98.7)	(200.7)	(102.0)	(1.7)
		Banking profit	175.5	357.8	160.5	(14.1)
	Retail Banking Unit	Gross banking profit	197.4	405.4	185.8	(11.6)
		Expenses	(166.7)	(336.4)	(169.7)	(3.5)
		Banking profit	30.7	69.0	16.1	(15.1)
	International Banking Unit	Gross banking profit	140.2	296.0	166.7	+12.5
		Expenses	(45.0)	(89.1)	(50.2)	(4.2)
		Banking profit	95.2	206.9	116.5	+8.3
Marketing units	Gross banking profit	611.8	1,259.9	615.0	(11.5)	
	Expenses	(310.4)	(626.2)	(321.9)	(9.4)	
	Banking profit	301.4	633.7	293.1	(20.9)	
Treasury Unit	Gross banking profit	232.3	325.5	211.0	(21.3)	
	Expenses	(11.5)	(22.9)	(12.7)	(0.5)	
	Banking profit	220.8	302.6	198.3	(21.8)	
Headquarters	Gross banking profit	(22.3)	(27.3)	1.8	+38.8	
	Expenses	(46.7)	(96.6)	(52.3)	(8.4)	
	Banking profit	(69.0)	(123.9)	(50.5)	+30.4	
Total (SMBC non-consolidated)	Gross banking profit	821.8	1,558.1	827.8	+6.0	
	Expenses	(368.6)	(745.7)	(386.9)	(18.3)	
	Banking profit	453.2	812.4	440.9	(12.3)	

*1 SMBC non-consolidated. Managerial accounting basis *2 After adjustments for interest rates and exchange rates, etc.

Net fees and commissions

(JPY bn)	FY3/14	1H, FY3/15	YOY change
SMFG consolidated*1	984.6	461.5	(28.6)
of which:			
SMBC	357.4	157.1	(6.7)
Sumitomo Mitsui Card	170.0	87.0	+3.0
SMBC Nikko Securities	189.0	77.0	(26.0)
Cedyna	119.0	58.0	(1.0)
SMBC Consumer Finance	42.0	24.0	+5.0
SMBC Friend Securities	34.0	17.0	(3.0)

Ref : Gross banking profit of SMBC's Marketing units

(JPY bn)	FY3/14	1H, FY3/15	YOY Change*2
Loan syndication	38.8	17.8	+0.9
Structured finance	25.3	7.3	(6.1)
Asset finance*3	15.6	6.0	0.0
Sales of derivatives products	20.4	8.3	(1.6)
Income related to domestic corporate business	100.1	39.4	(6.8)
Investment trusts	44.9	18.1	(6.4)
Pension-type insurance	7.7	6.4	+3.7
Single premium type permanent life insurance	8.3	4.2	+0.9
Level premium insurance	8.4	3.3	(0.9)
Income related to domestic consumer business	69.3	32.0	(2.7)
of which:			
Money remittance, electronic banking	91.9	45.9	+0.2
Foreign exchange	53.3	25.5	(0.5)
Domestic Non-interest income	319.2	136.0	(12.6)
of which:			
IBU's loan related income*4	63.0	33.2	+1.9
IBU's Non-interest income*4	121.4	60.7	+0.5
Non-interest income	440.6	196.7	(12.1)
of which:			
Income on domestic loans	446.6	213.6	(11.7)
Income on domestic yen deposits	120.8	60.6	+0.5
IBU's interest related income*4	174.6	106.0	+12.0
Interest income	819.3	418.3	+0.6
Gross banking profit of SMBC's Marketing units*5	1,259.9	615.0	(11.5)

*1 In round numbers excl. SMBC *2 After adjustments of interest rates and exchange rates, etc. *3 Profit from real estate finance, securitization of monetary claims, etc.

*4 IBU: International Banking Unit

*5 Managerial accounting basis. Revised managerial accounting rules in Apr. 2014, following revision of domestic business structure.

Figures for FY3/14 are recalculated based on the new rules

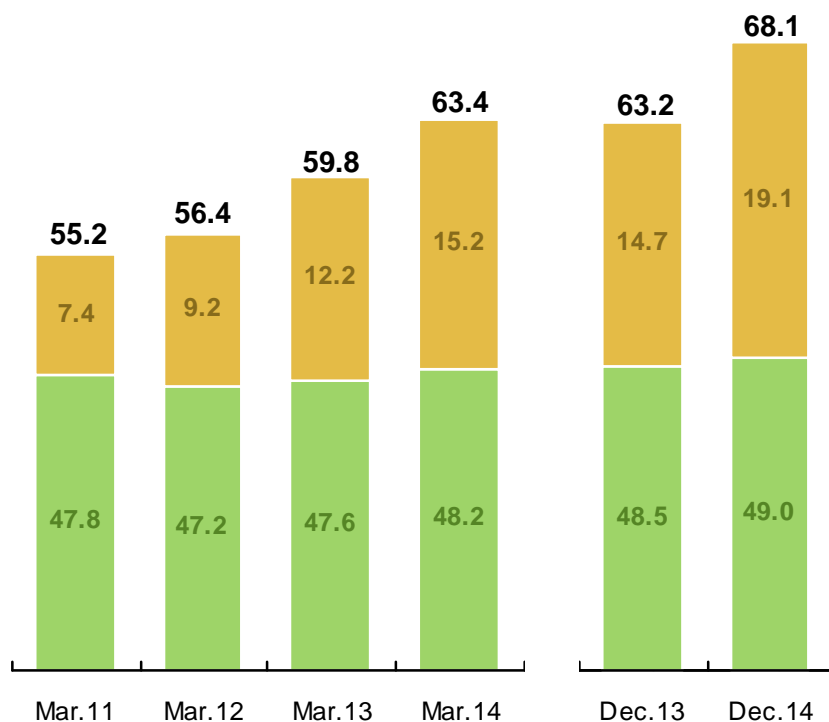
Loan balance and spread

Loan balance

(JPY tn)

(SMBC non-consolidated)

- Overseas offices and offshore banking accounts
- Domestic offices (excluding offshore banking account)



Average loan balance and spread*1

	Balance	
	(JPY tn)	
	1H, FY3/15	YOY change*7
Domestic loans*2	47.2	+0.2
of which		
Large corporations*3	13.2	0.0
Mid-sized corporations & SMEs*4	15.7	+0.1
Individuals	14.7	(0.3)
IBU's interest earning assets*5, 6	USD 212.4 bn	+USD 32.4 bn

	Spread	
	(%)	
	1H, FY3/15	YOY change*7
Domestic loans*2	0.93	(0.06)
of which		
Large corporations*3	0.62	(0.03)
Mid-sized corporations & SMEs*4	0.94	(0.08)
Individuals	1.39	(0.03)
IBU's interest earning assets*5, 6	1.19	+0.01

Gains (losses) on bonds and performance of Treasury Unit

SMBC non-consolidated

Gains (losses) on bonds

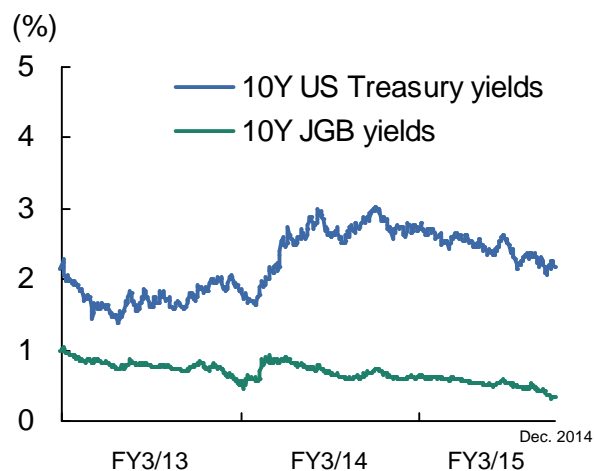
(JPY bn)	FY3/14	1H, FY3/15	YOY change
Gains (losses) on bonds	0.7	28.9	+22.6
Domestic operations	(4.9)	2.5	+1.8
International operations	5.6	26.4	+20.8

Gross banking profit of SMBC's Treasury Unit

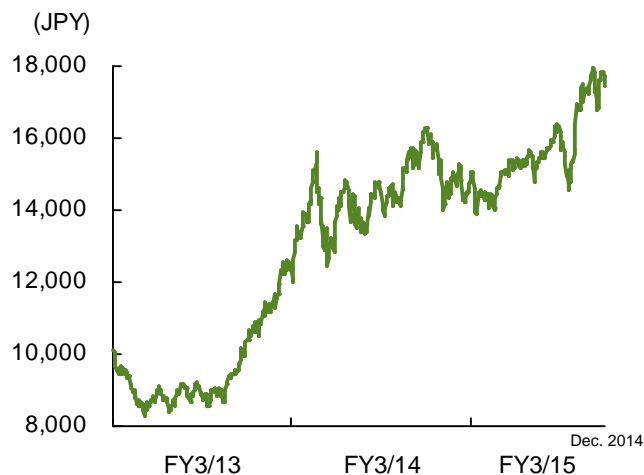
(JPY bn)	FY3/14	1H, FY3/15	YOY change
Gross banking profit of SMBC's Treasury Unit	325.5	211.0	(21.3)

Interest rate, stock price and exchange rate

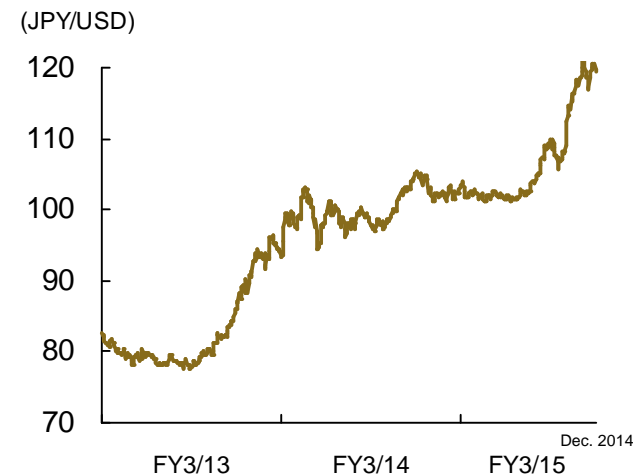
Interest rate of JGB and US Treasury



Nikkei Stock Average



Exchange rate JPY / USD



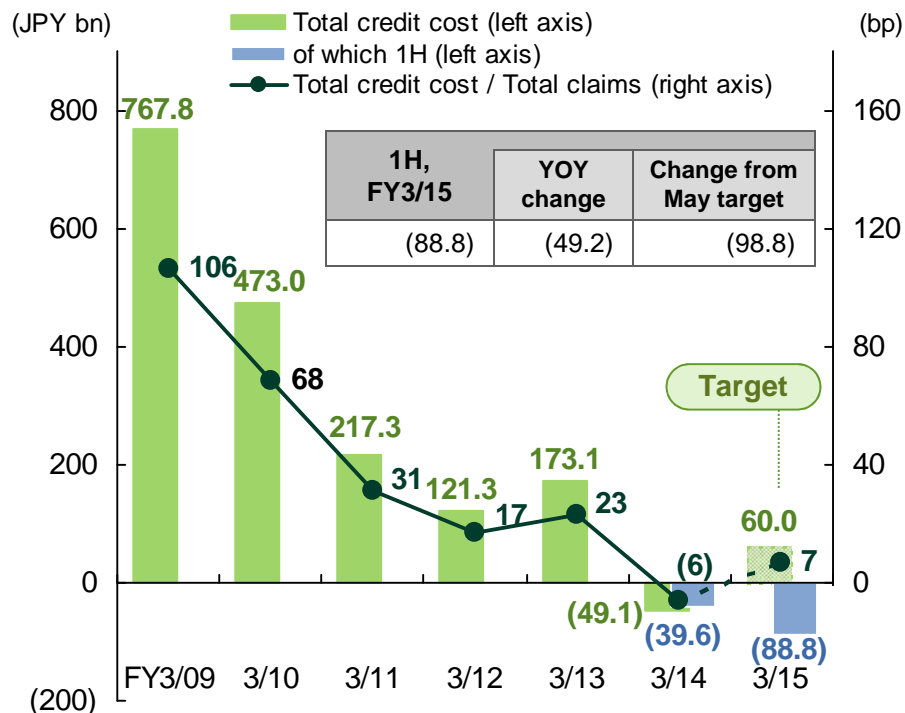
Bond portfolio

		Mar. 2014		Sep. 2014		Dec. 2014		Change from Sep. 2014	
		Balance sheet amount	Net unrealized gains (losses)	Balance sheet amount	Net unrealized gains (losses)	Balance sheet amount	Net unrealized gains (losses)	Balance sheet amount	Net unrealized gains (losses)
SMFG consolidated	Yen-denominated bonds	17.4	0.10	15.3	0.08	16.6	0.10	1.3	0.03
	of which JGB	14.2	0.05	12.5	0.04	13.8	0.07	1.3	0.03
	Held-to-maturity	4.3	0.03	3.8	0.03	3.6	0.03	(0.3)	0.00
	Others	9.9	0.02	8.6	0.02	10.2	0.04	1.6	0.02

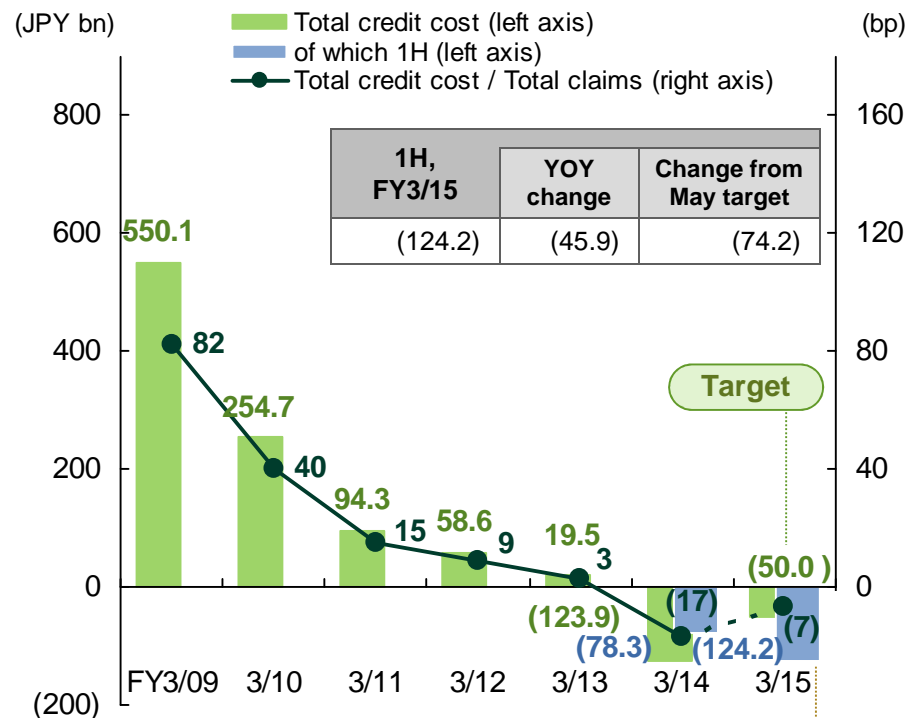
SMBC non-consolidated	Yen-denominated bonds	16.3	0.09	14.6	0.07	15.9	0.10	1.4	0.02
	of which JGB	13.8	0.05	12.1	0.04	13.5	0.06	1.3	0.02
	Held-to-maturity	4.3	0.03	3.8	0.03	3.6	0.03	(0.3)	0.00
	Others	9.5	0.02	8.3	0.01	9.9	0.04	1.6	0.02

Credit costs

SMFG consolidated



SMBC non-consolidated



Variance between SMFG consolidated and SMBC non-consolidated*

(JPY bn)	1H, FY3/15	YOY Change
Variance with SMBC non-consolidated	35.4	(3.3)
SMBC Consumer Finance	29.0	+8.0
Cedyna	5.0	(3.0)
Kansai Urban Banking Corporation	2.0	(5.0)

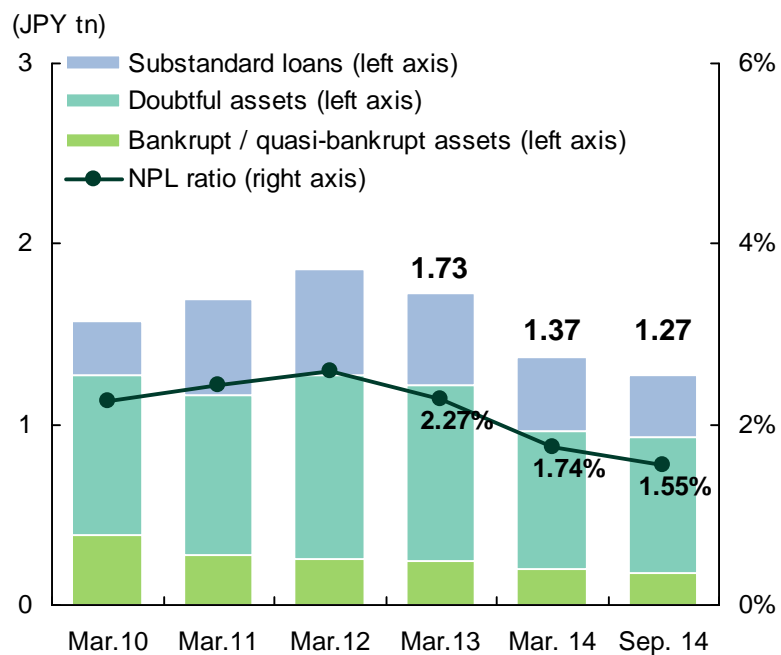
* In round numbers

- Recorded net reversal of Total credit cost due to
 - reversal of provisions made in previous years for large borrowers as a result of improvement of their internal ratings
 - decline in reserve ratio as a result of decreased defaults

Non-performing loan balance and ratio

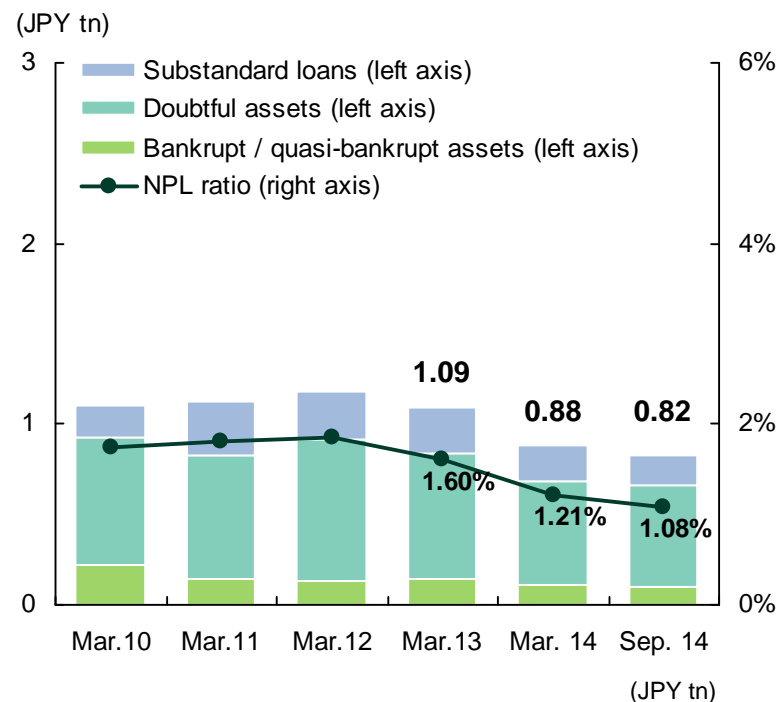
SMFG consolidated

	Mar. 14	Sep. 14
Coverage ratio	83.74%	83.31%



SMBC non-consolidated

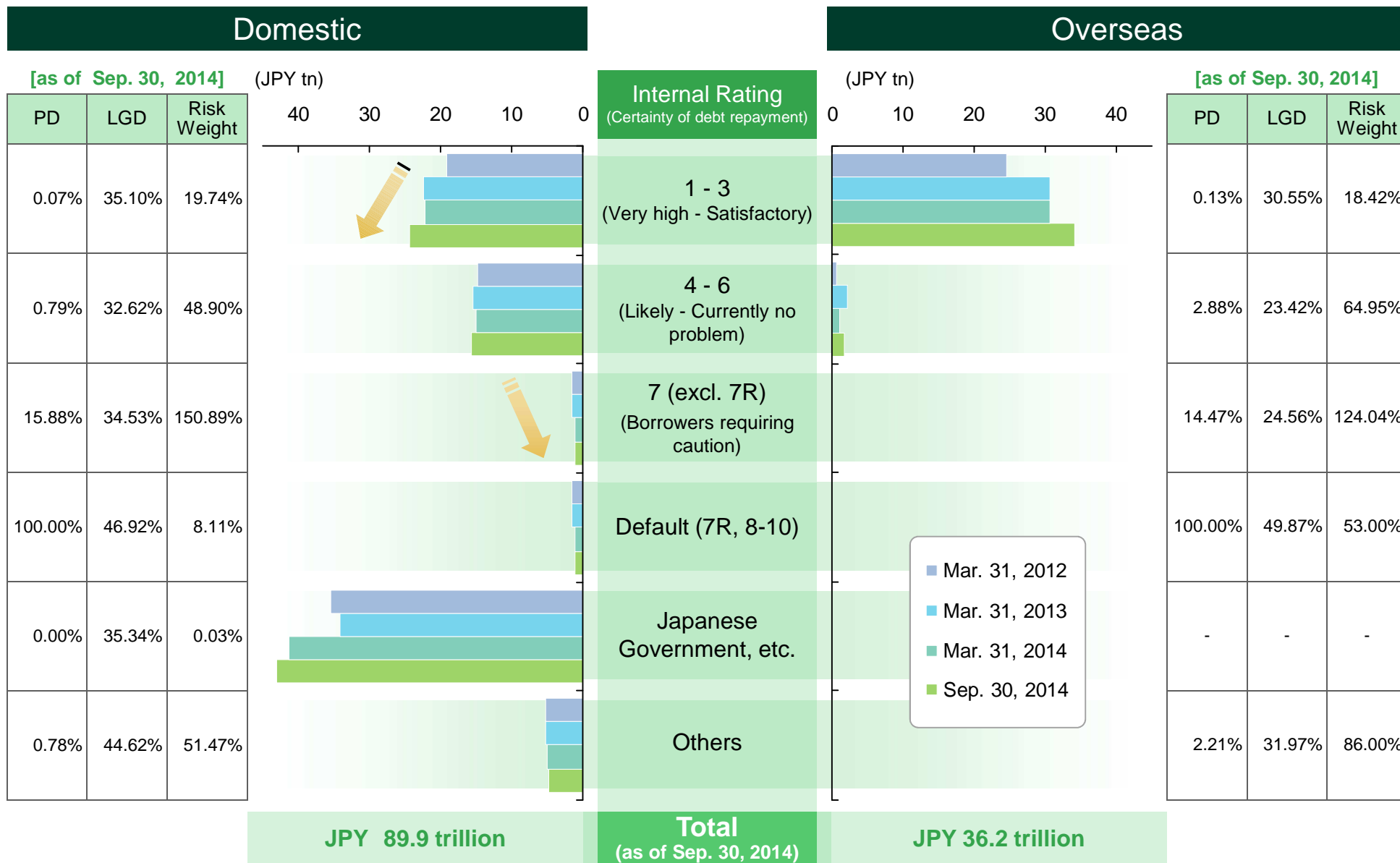
	Mar. 14	Sep. 14
Coverage ratio	88.54%	87.57%



Claims on borrowers requiring caution*	3.7	3.1	2.8	1.9	1.6	1.4
Total claims	63	62	64	68	73	76

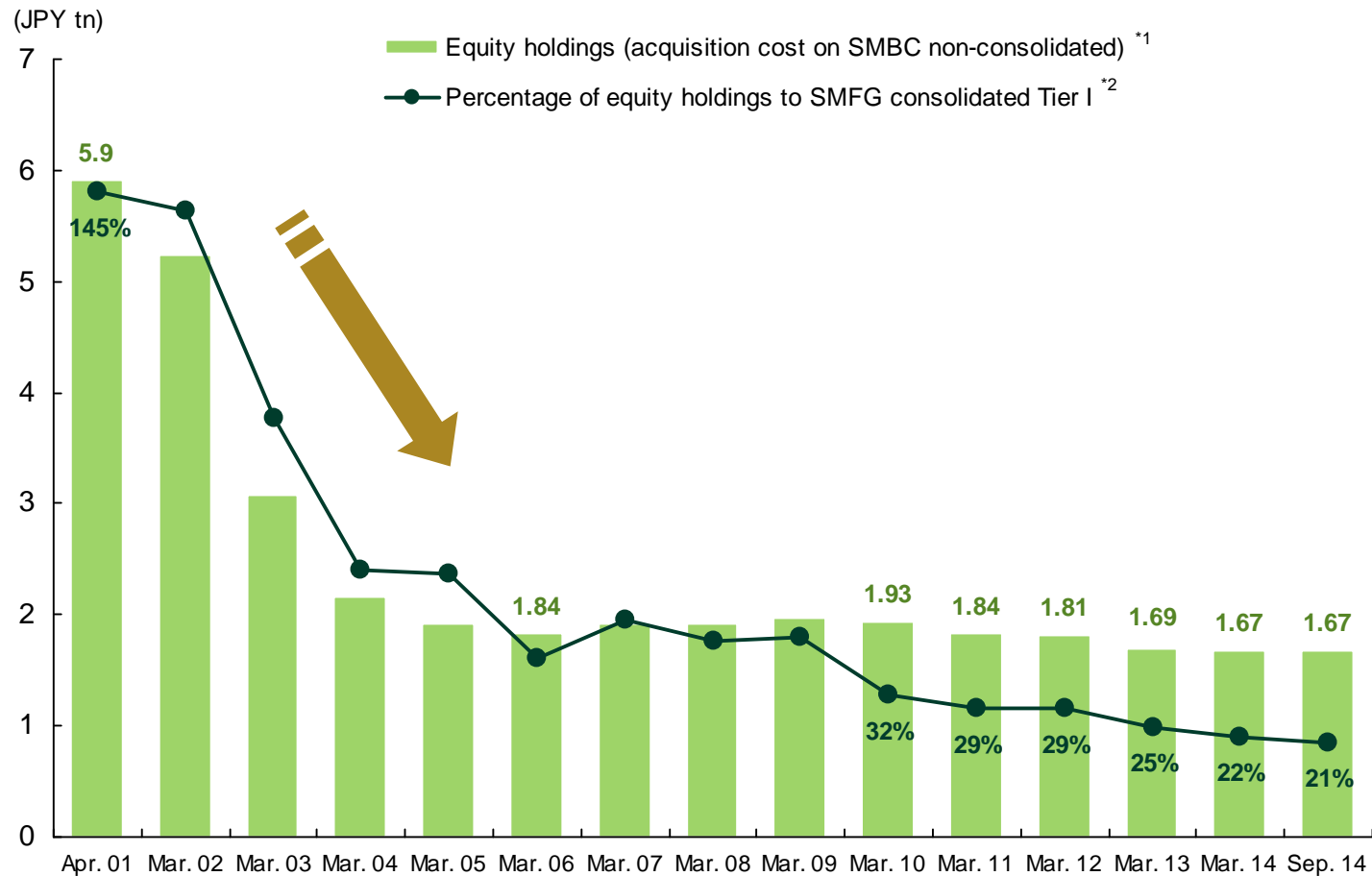
* Excludes claims to Substandard borrowers

Corporate, sovereign and bank exposures



Equity holdings

Balance of domestic listed stocks classified as other securities



*1 Shares of SMFG related to share exchange for acquiring former Promise are excluded

*2 Until Mar. 2002, percentage to SMBC consolidated Tier I. After Mar. 2013, percentage to SMFG consolidated Tier 1 based on Basel 3

Capital and risk-weighted assets, SMFG consolidated

Capital ratio (transitional basis)

(JPY bn)	Mar. 31, 2014	Dec. 31, 2014
Common Equity Tier 1 capital (CET1)	6,550.8	7,262.4
of which:		
Total stockholders' equity related to common stock	6,312.3	6,946.8
Accumulated other comprehensive income ^{*1}	175.6	300.6
Regulatory adjustments related to CET1 ^{*1}	(193.8)	(223.6)
Tier 1 capital	7,514.3	8,366.2
of which:		
Eligible Tier 1 capital instruments (grandfathered) ^{*3}	1,212.1	1,252.5
Regulatory adjustments ^{*1,2}	(415.4)	(422.1)
Tier 2 capital	2,047.1	2,547.9
of which:		
Tier 2 capital instruments	-	351.4
Eligible Tier 2 capital instruments (grandfathered) ^{*3}	1,627.4	1,517.0
Unrealized gains on other securities after 55% discount and land revaluation excess after 55% discount ^{*2}	506.6	776.0
Regulatory adjustments ^{*1,2}	(182.1)	(196.6)
Total capital	9,561.4	10,914.2
Risk-weighted assets	61,623.3	64,992.6
Common Equity Tier 1 capital ratio	10.63%	11.17%
Tier 1 capital ratio	12.19%	12.87%
Total capital ratio	15.51%	16.79%

Common Equity Tier 1 capital ratio (fully-loaded^{*4}, pro forma)

(JPY bn)	Mar. 31, 2014	Dec. 31, 2014
Variance with CET1 on a transitional basis ^{*5}	(177.6)	223.1
of which:		
Accumulated other comprehensive income	702.4	1,202.3
of which:		
Net unrealized gains on other securities	759.6	1,144.6
of which:		
Minority interests (subject to be phased-out)	(104.8)	(84.8)
Regulatory adjustments related to CET1	(775.1)	(894.3)
Common Equity Tier 1 capital	6,373.2	7,485.6
Risk-weighted assets	61,339.2	64,665.8
Common Equity Tier 1 capital ratio	10.3%	11.5%

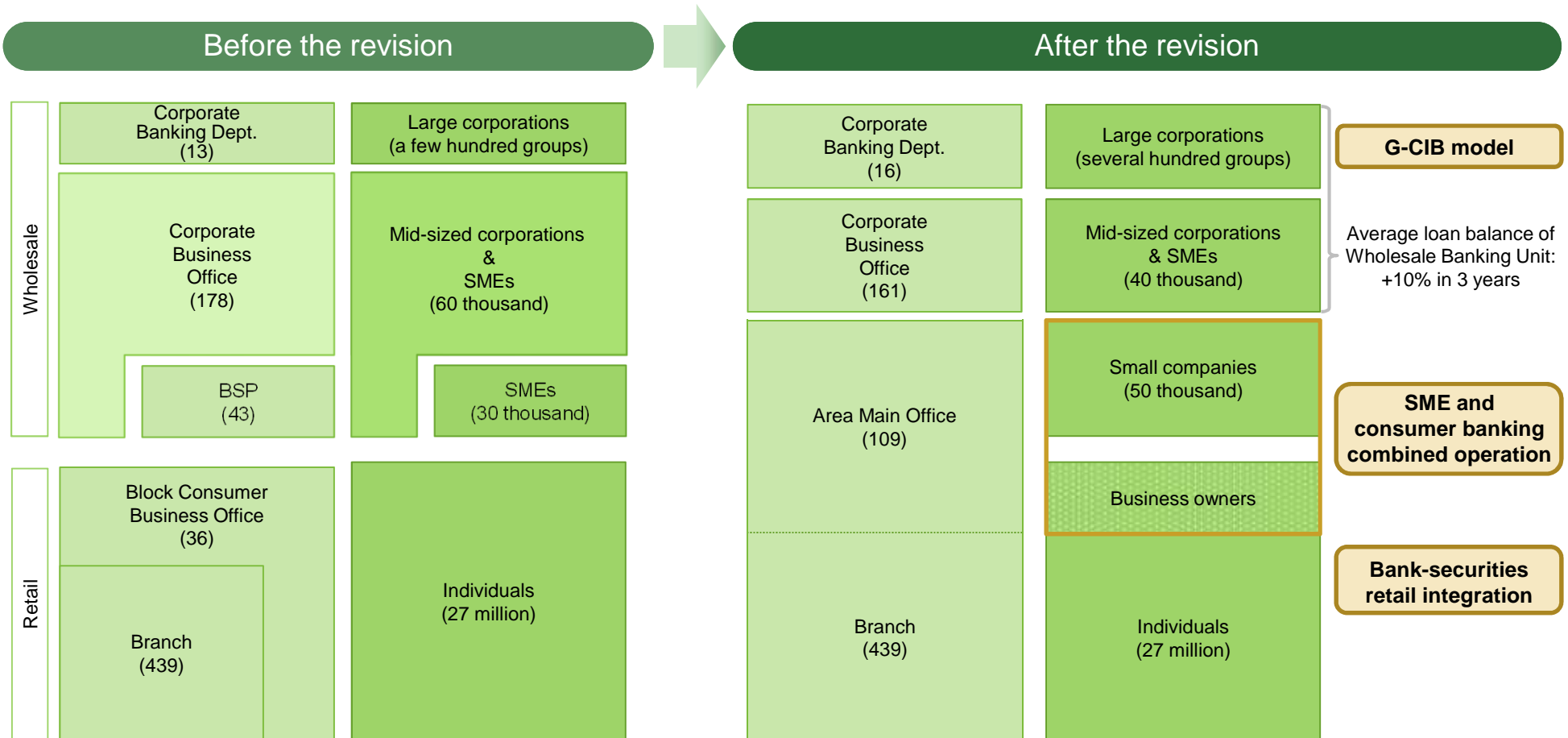
Preferred securities which become callable in FY3/15

Issuer / Series	Issue date	Amount outstanding	Dividend rate ^{*6}	First call date ^{*7}	Step-up	
SMFG Preferred Capital JPY3 Limited						
Series C	Sep. 2009	JPY 79.5 bn	3.98%	Jan. 2015	None	Called Jan. 2015
Series D	Oct. 2009	JPY 45.0 bn	3.94%	Jan. 2015	None	

*1~3 Subject to transitional arrangements. Regulatory adjustments of Tier1 and Tier2 include items that are either phased-in or phased-out as described in *1 and *2 below
 *1 20% of the original amounts are included *2 20% phase-out is reflected in the figures *3 Cap is 80% *4 Based on the Mar. 31, 2019 definition *5 Each figure represents 80% of the original amounts that are not included due to phase-in or included due to phase-out in the calculation of CET1 on a transitional basis
 *6 Until the first call date. Floating rate thereafter *7 Callable at any dividend payment date on and after the first call date, subject to prior confirmation of the FSA

Revision of domestic business structure of SMBC

- Reviewed client segmentation in accordance with clients' needs and fully revised domestic business structure in April 2014, for the first time since establishment of SMBC
- Effectively allocate our resources into large corporates, business/asset succession and investment products sales businesses

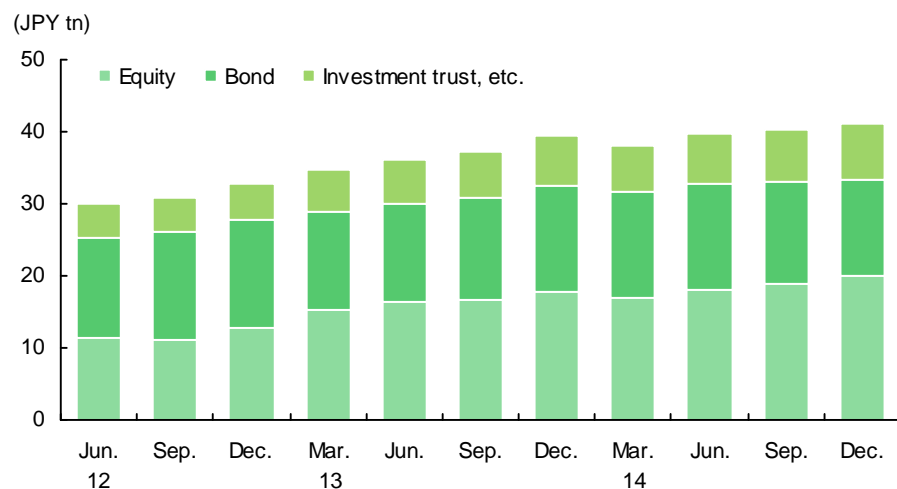


Performance of SMBC Nikko Securities

Financial results (consolidated)

(JPY bn)	FY3/2014	Apr.-Dec. 2014	YOY change
Net operating revenue	327.9	239.5	(17.7)
SG&A expenses	(227.8)	(171.3)	+0.5
Ordinary income	102.1	69.7	(16.7)
Net income	64.6	46.0	(8.4)

Client assets

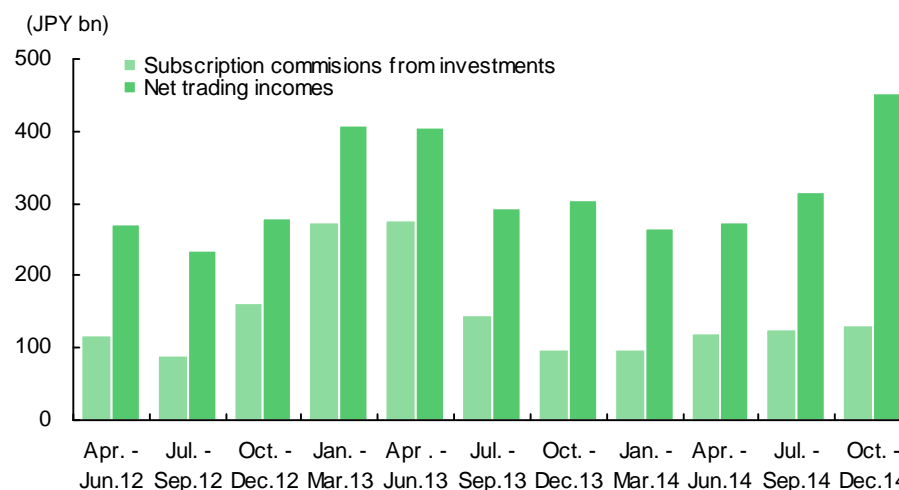


* As of Feb. 17, 2015

Topics

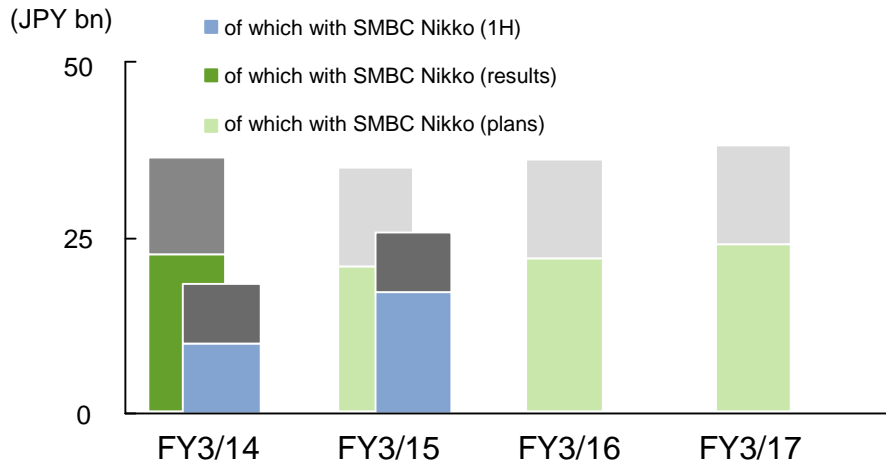
- Established 11 branches since Apr. 2014, aiming to expand domestic network to 123 offices*
- Awarded at “The 2014 Contact Center World Awards”
 - Gold prizes in two categories
 - Best Outbound Campaign
 - Best Sales Campaign
 - The first Japanese company to receive gold prizes in two categories at the same time

Net operating revenue related to sales of investment trusts and foreign bonds

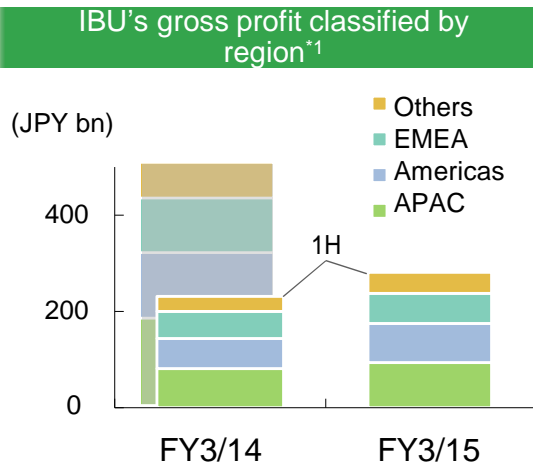


International business: Group collaboration and competitive advantages

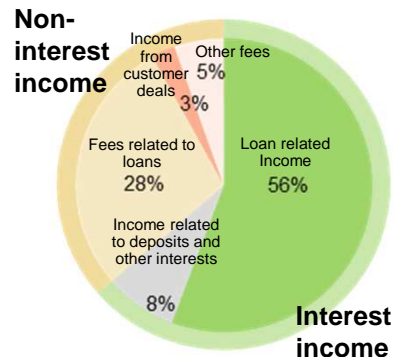
Income related to collaboration with group companies



Breakdown of gross profit from international business



Ref : Interest / Non-interest income (1H, FY3/15)*2



Competitive advantages

Cash management service

Cash management providers' ranking (in Asia Pacific)*5

Cash management service (CMS) as voted by corporations	Large corporations	3rd	#1 among Japanese banks for seven consecutive years
	Medium corporations	3rd	
	Small corporations	2nd	
JPY CMS as voted by financial institutions		1st	#1 for nine consecutive years

2014
First Japanese bank to be ranked one of the top three global banks (3rd)

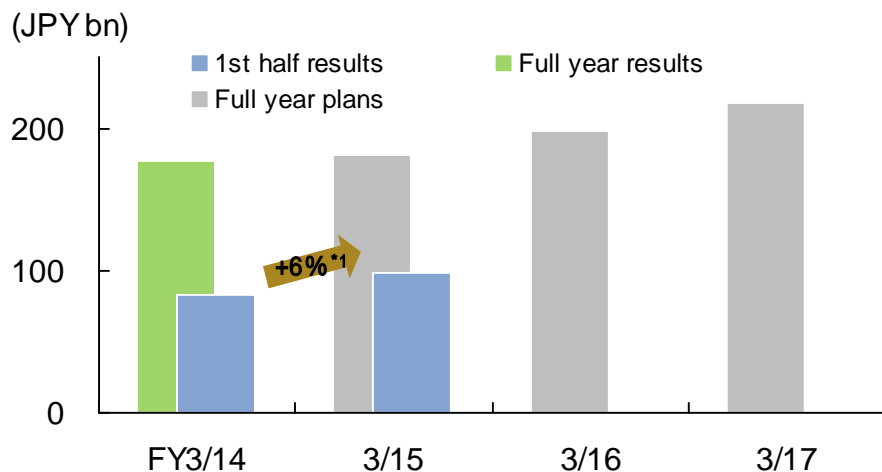
Expansion of franchise outside Asia (since Apr. 2014)

- SMBC Europe established two branches.
 - Prague branch (Jun. 2014)
 - Madrid branch (Dec. 2014)

International business: Asia strategy

- Three objectives of “Asia-centric”: 1. Support Japanese corporations for expanding businesses in Asia, 2. Capture growth opportunities related to Asian countries and corporations, 3. Become a gateway to access Asia for Western companies

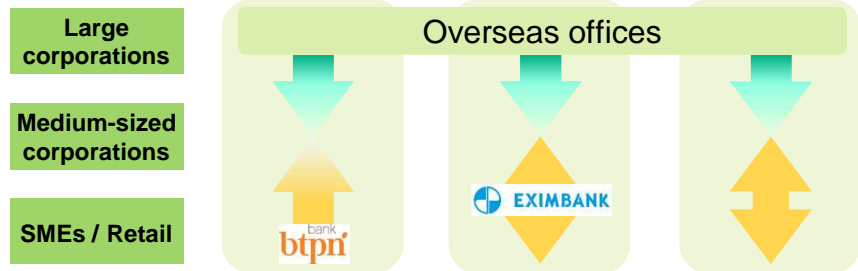
Gross profit in Asia



Key points of Multi-Franchise strategy

Full Bank Localization Commitment

Indonesia Vietnam Other countries



Medium- to long-term strategy

- 1 Develop existing businesses
- 2 Enter Tier 2 large, and middle sized corporate business
- 3 Strengthen transaction banking business
- 4 Further promote multi-franchise strategy
- 5 Upgrade business infrastructure

Expansion of Asian franchise (since Apr. 2014)

- Investment in ACLEDA Bank (Cambodia)
 - Acquired 12.25% shares of ACLEDA Bank Plc, the largest Cambodian Bank, in Sep. 2014; Strengthened business base in Cambodia
- Entered into non-binding MoU to increase investment in The Bank of East Asia (BEA)
 - Upon regulatory approval, SMBC will hold approximately 17.5% of total issued shares of BEA from 9.6%*2
 - SMBC plans to have a representative in the board of BEA and change the bank to an equity method affiliate
- Received preliminary approval for Foreign Bank License in Myanmar and The Philippines
- Received approval to offer "free trade accounts," special corporate bank accounts in Shanghai pilot free trade zone. The first case for Japanese banks to receive approval

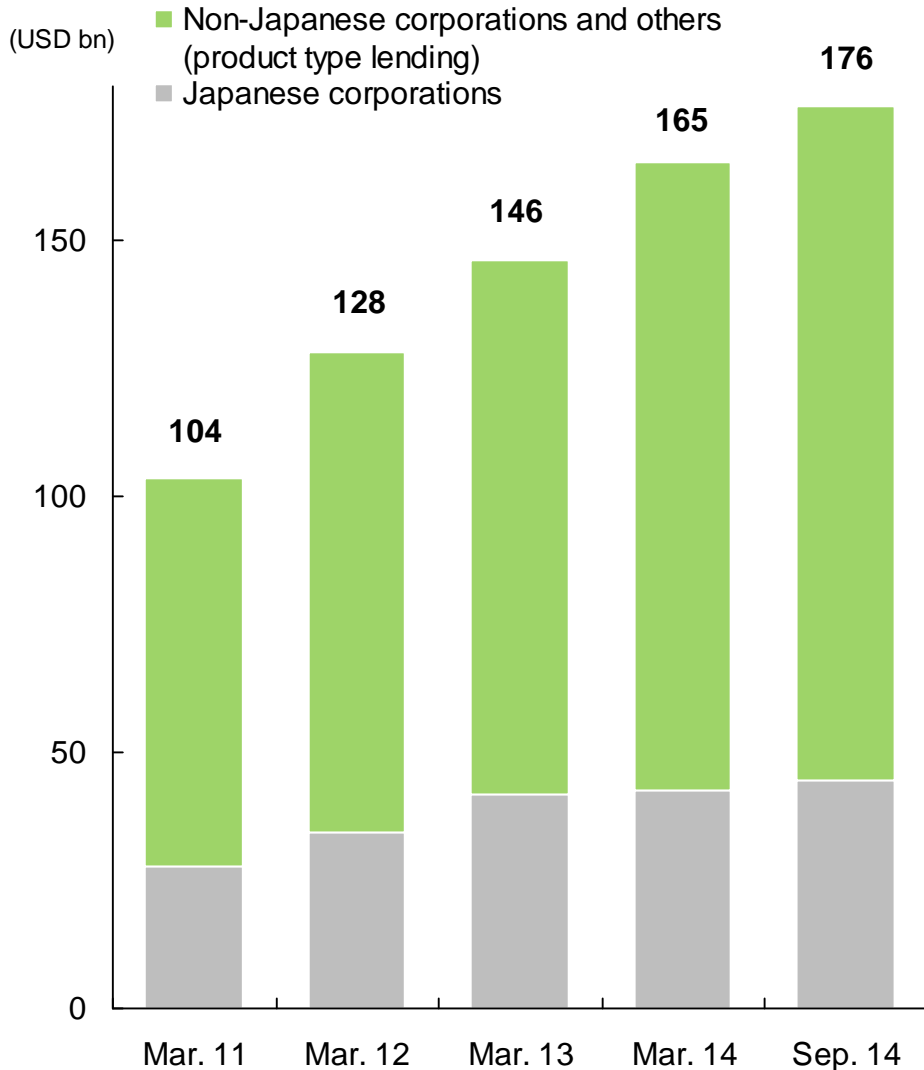
*1 After adjustments of exchange rates, etc.

*2 SMBC plans to increase its investment in BEA through a subscription of some 222,000,000 new shares. Subscription price is to be determined by reference to the volume weighted average price of BEA shares as quoted on the Hong Kong Stock Exchange over a prescribed period before the Definitive Agreements are entered into

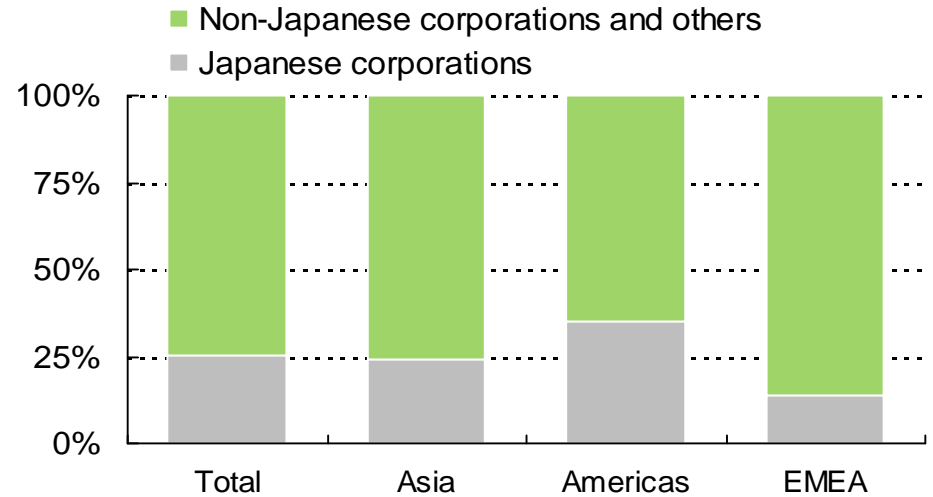
Overseas loan balance classified by borrower type

(Geographic classification based on booking office)

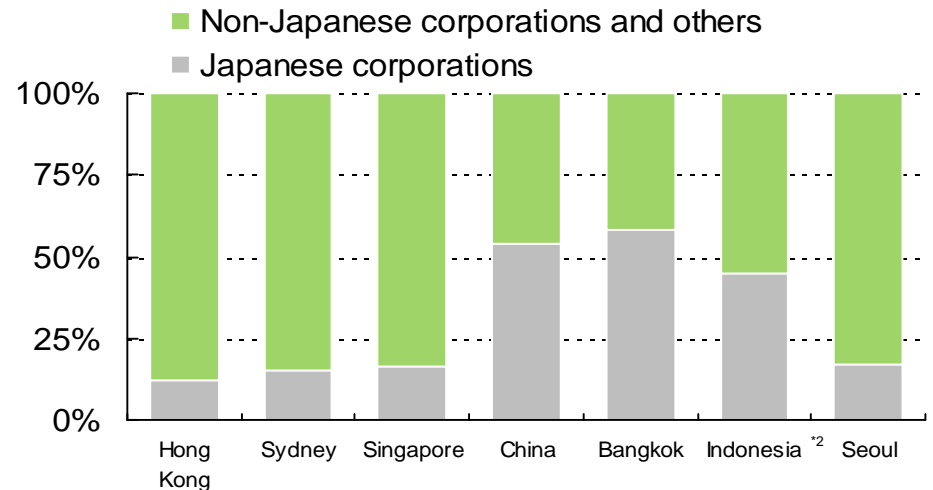
Total*1



By region (Sep. 2014)*1



Major marketing channels in Asia (Sep. 2014)*1



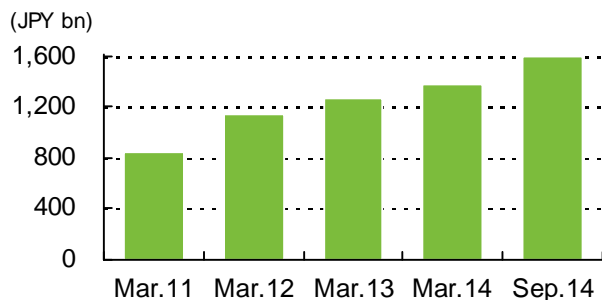
*1 Managerial accounting basis. Sum of SMBC, SMBC Europe and SMBC (China)

*2 Sum of SMBC and SMBC Indonesia

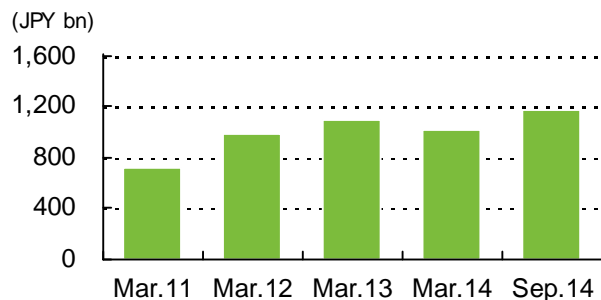
Loan balance in Asian countries

(Geographic classification based on borrowers' domicile)*

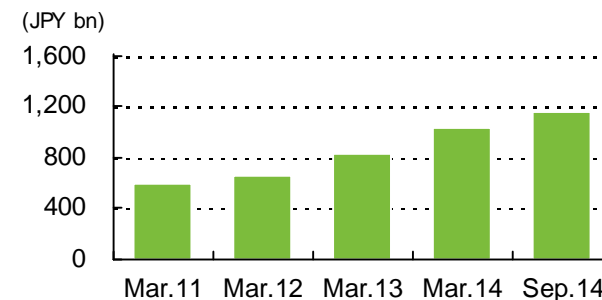
Hong Kong



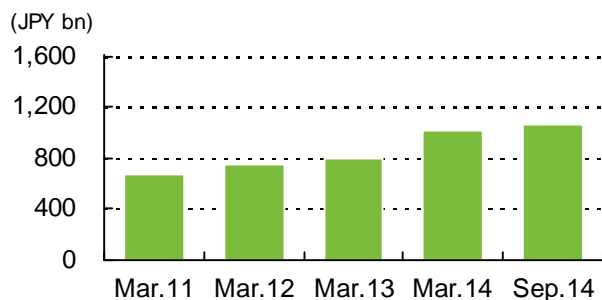
Singapore



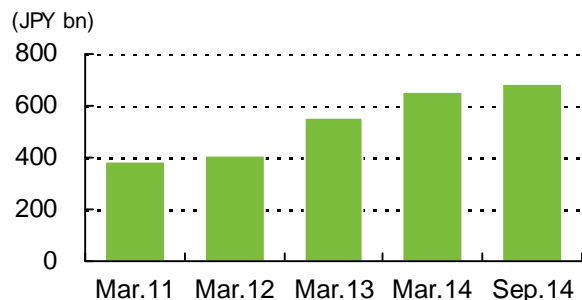
Australia



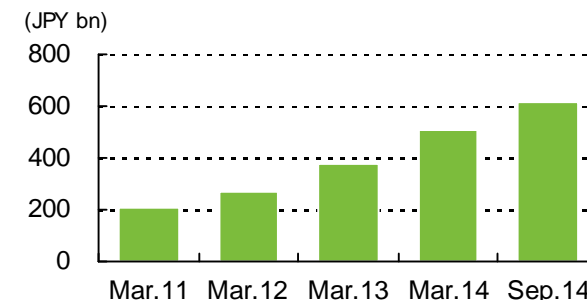
China



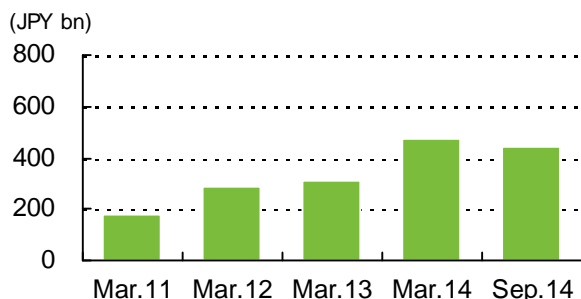
Thailand



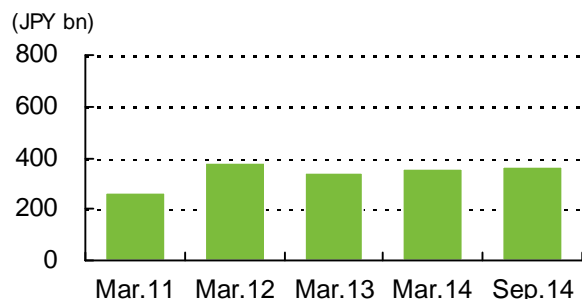
Indonesia



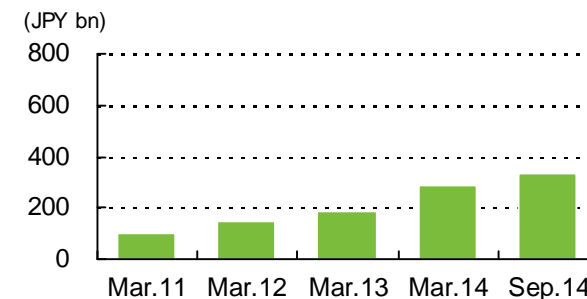
India



Korea



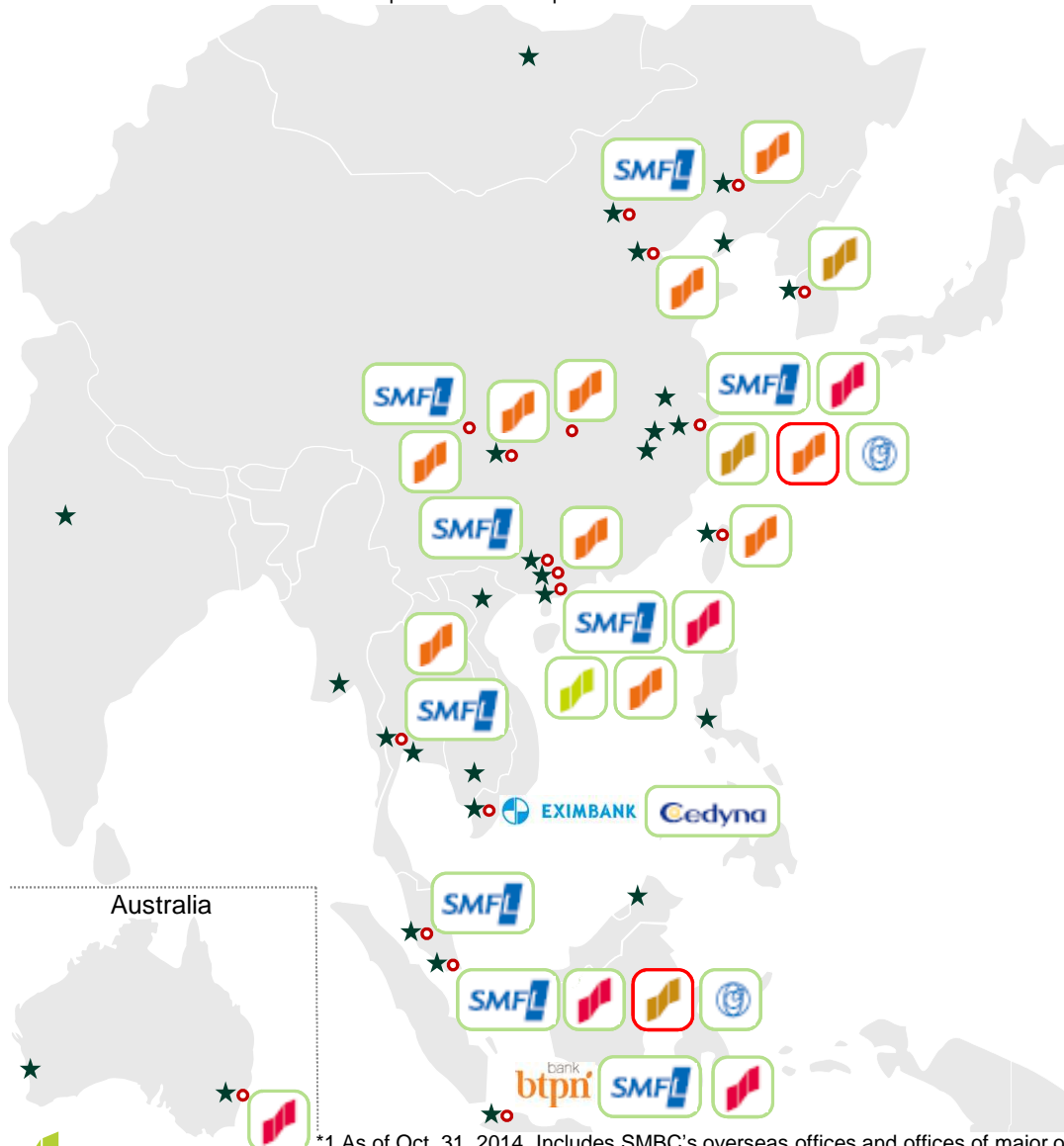
Taiwan



* Managerial accounting basis. Sum of SMBC, SMBC Europe, SMBC (China) and SMBC Indonesia
Loan balances are translated into JPY from each country's local currency at the exchange rate of Sep. 30, 2014

SMFG's footprint in Asia

★: SMBC
 ○: Overseas offices of SMFG group companies other than SMBC.
 Red outline indicates commenced operations since Apr. 2014



SMBC SUMITOMO MITSUI BANKING CORPORATION	Banking	< Asia and Oceania > 14 countries/areas, 37 offices* ¹
Sumitomo Mitsui Finance and Leasing	Leasing	<ul style="list-style-type: none"> Beijing Shanghai Chengdu Guangzhou Hong Kong Bangkok Kuala Lumpur Singapore Jakarta
SMBC NIKKO	Securities	<ul style="list-style-type: none"> Hong Kong Sydney Singapore Jakarta
	M&A advisory	<ul style="list-style-type: none"> Shanghai Hong Kong Singapore Jakarta
SMBC FRIEND SECURITIES	Market research	<ul style="list-style-type: none"> Hong Kong
SUMITOMO MITSUI CARD COMPANY, LIMITED	Prepaid card services	<ul style="list-style-type: none"> Seoul*²
	Consulting	<ul style="list-style-type: none"> Shanghai
Cedyna	Market research	<ul style="list-style-type: none"> Singapore
	Auto loans	<ul style="list-style-type: none"> Ho Chi Minh*³
SMBC CONSUMER FINANCE	Consumer finance	<ul style="list-style-type: none"> Hong Kong Shenzhen Shenyang Tianjin Chongqing Chengdu Wuhan Shanghai Bangkok
	Loan management and collection	<ul style="list-style-type: none"> Taipei
The Japan Research Institute, Limited	Consulting	<ul style="list-style-type: none"> Shanghai
	System integration	<ul style="list-style-type: none"> Shanghai Singapore

*¹ As of Oct. 31, 2014. Includes SMBC's overseas offices and offices of major overseas subsidiary banks. Excludes offices planned to be closed

*² Prepaid cards targeted at travelers to Korea from Japan offered through an alliance with Hana SK Card Co., Ltd. since Nov. 2012

*³ Expanded auto loan business through alliance with Vietnam Eximbank since May 2013

Investments in Asia

BTPN

(IDR bn)	FY12/2013	Jan.-Sep. 2014	YOY
Net income*1	2,131	1,427	(246)
ROE*1	26.2%	19.0%	(8.9)%
Total assets*1	69,665	71,698	+5,494

· Market capital*2 :
IDR 23 tn (JPY 219.6 bn)
(as of Jan. 31, 2015)
· Number of offices: 1,279
(as of Sep. 30, 2014)

Interest expense before tax (1,175)

- SMBC acquired 24.26% stake in May 2013 (IDR 6,500 per share), increased ownership to 40% in Mar. 2014 (total investment amount: approx. USD 1.5bn)
- An equity method affiliate of SMBC
- Post SMBC's investment, Fitch ratings raised BTPN's Indonesian domestic rating by 2 notches (AA-(S)→AA+(S))
- In collaboration with IFC, SMBC provided funding support to BTPN via loan agreement
- SMBC started joint project in retail banking area
- In Jan. 2015, 2 SMBC representatives were appointed as members of BTPN Board of Commissioners, replacing with the 2 previous members

Kotak Mahindra Bank

(INR mn)	FY3/2014	Apr.-Dec. 2014	YOY
Net income*1	15,030	13,400	+2,440
ROE*2	14.4%	-	-
Total assets*1	875,850	1,022,350	+146,500

· Market capital*2 :
INR 1 tn (JPY 2.0 tn)
(as of Jan. 31, 2015)
· Number of offices: 661
(as of Dec. 31, 2014)

- SMBC acquired 4.5% stake in 2010 (total investment amount: approx. INR 13.6 bn)
- SMBC Nikko Securities sells Kotak Mahindra's Asset Management subsidiary's Investment Trust in Japan
- SMBC and SMBC Nikko Securities collaborate with Kotak Mahindra's group in M&A business
- SMBC, Kotak Mahindra group and Brookfield AM (Canadian asset management firm) established infrastructure fund

The Bank of East Asia

(HKD mn)	FY12/2013	FY12/2014	YOY
Net income*1	6,707	6,774	+67
ROE*1	11.0%	10.1%	(0.9)%
Total assets*1	753,954	795,981	+42,027

· Market capital*2 :
HKD 75.6 bn (JPY 1.2 tn)
(as of Jan. 31, 2015)
· Number of offices: 224
(of which mainland China 126)
(as of Jun. 30, 2014)

- SMBC entered into a non-binding Memorandum of Understanding to increase size of investment in BEA on Sep. 2014, subject to regulatory approval
- Estimated total investment amount: approx. JPY 190 bn
- Increase investment will be through a subscription of some 222,000,000 new shares
- Upon completion of the proposed subscription, SMBC will hold approximately 17.5% of total issued shares of BEA from 9.6%
- SMBC plans to have a representative in the board of BEA and change to the bank to an equity method affiliate

Vietnam Eximbank

(VND bn)	FY12/2013	FY12/2014	YOY
Net income*2	658	56	(602)
ROE*2	4.3%	0.4%	(3.9)%
Total assets*2	169,835	161,103	(8,732)

· Market capital*2 :
VND 17 tn (JPY 94.0 bn)
(as of Jan. 31, 2015)
· Number of offices: 208
(as of Dec. 31, 2014)

- SMBC acquired 15% stake in May 2008 (total investment amount: approx. USD 230 mn)
- SMBC's equity method affiliate, SMBC delegates one board member and staffs
- SMBC collaborates and provides technical assistance for retail and wholesale banking, employee training, IT system, and risk management
 - Business alliance / collaboration: strengthen capabilities to address Japanese corporations, collaborate to provide cash management service, collaborate with Cedyna in providing auto loan, collaborate to promote business matching with local companies, strengthen housing loans and trade finance

Sumitomo Mitsui Finance and Leasing

Expanding global network / Initiatives for growth industry

- Established New York Branch and began operations
- Expanding supplier business by increasing deals with global manufacturers and supporting sales finance of Japanese manufacturers
- Established a joint venture for used medical equipment sales

Aircraft business

Hosted an aircraft finance seminar

- Held a seminar for Japanese investors
[Co-sponsors]
SMBC Aviation Capital, SMBC, Sumitomo Corporation, SMFL



Signed contracts to purchase Airbus and Boeing aircraft

- Signed contracts with Airbus SAS and Boeing to purchase 115 and 80 aircraft respectively
- Scheduled delivery of Airbus aircraft between 2016 and 2022 and Boeing aircraft between 2018 and 2022



SMBC Aviation Capital

1H, FY3/2015 results

	(USD mn)	1H, FY3/15	FY3/14
Total revenue* ¹		439	852
Net income		87	192
Aircraft assets		9,753	8,822
Net assets		1,375	1,290

Ranking by number of owned and managed aircraft*²

Aircraft leasing company	Nationality	No. of aircraft
1 GECAS	U.S.	1,624
2 AerCap	Netherlands	1,305
3 SMBC AC	Ireland	386
4 AWAS	Ireland	313
5 CIT Aerospace	U.S.	312

*1 Leasing revenue + gains (losses) on sales of aircraft
*2 As of Dec. 31, 2014 (Source: Ascend "Airline Business")

Vision for the next decade and three-year management goals

Vision for the next decade

We will become a global financial group that, by earning the highest trust of our customers, leads the growth of Japan and the Asian region

We will become a truly Asia-centric institution

Strengthening our business in Asia is the key strategy to become a leading financial group in Asia

We will develop the best-in-class earnings base in Japan

We aim to proactively contribute to the revitalization of the Japanese economy and capture a high market share by implementing specific strategies for enhancing our capability to meet our clients' needs

We will realize true globalization and continue to evolve our business model

We will expand our global franchise and implement measures to realize the globalization of our corporate infrastructure that supports our growth. At the same time, we will continue to develop our business model by anticipating changes in our business environment, both domestic and international

Three-year management goals

- 1 Develop and evolve client-centric business models for main domestic and international businesses
- 2 Build a platform for realizing Asia-centric operations and capture growth opportunities
- 3 Realize sustainable growth of top-line profit while maintaining soundness and profitability
- 4 Upgrade corporate infrastructure to support next stage of growth

Branding strategy / Five Values

Strengthen SMBC brand

Sponsorship and new TV commercial

- Sponsoring the “Nippon Series”, a popular sport event to determine the top professional baseball team in Japan
- In line with the opening of “SMBC NIPPON SERIES 2014”, started a new TV commercial featuring a young popular actress



Social media

- SMBC officially opened a Facebook and LINE account
- Original character “MIDOSUKE”



Advertisement in international airport in Japan

- SMBC and SMBC Nikko* placed an advertisement on the boarding bridges at Narita International Airport and Kansai International Airport



Outside(above):
SMBC

Inside(below):
SMBC Nikko

* SMBC Nikko's advertisement is at Narita International Airport only

Five Values

- In order to realize our vision for the next decade, we determine Five Values that our employees share and abide by to meet the needs of our clients

Five Values

Customer First

Proactive and Innovative

Speed

Quality

Team SMBC/SMFG

Meeting international financial regulations

G20

G-SIFI regulation and supervision

Prudential regulation

Basel III

Financial market / Financial system reform

US

EU

Regulations	Contents of regulation	Effective	Current status	Action taken & impact on SMFG
G-SIB surcharge	Required for additional loss absorption capacity above the Basel III minimum	2016	Finalised at FSB / Domestic regulation under development	Requirement for SMFG to be 8% on a fully-loaded basis. Achieved 8% CET 1 ratio by the end of Mar. 2013
Adequacy of loss-absorbing capacity (TLAC)	Required to hold loss absorbing capacity, which consists of eligible liabilities and regulatory capital, on both a going concern and gone concern basis	No earlier than 2019	Consultation commenced in Nov. 2014	Specific requirement and implementation schedule remain unclear. Paying attention to discussions
Recovery and Resolution Plan	SMFG Group Recovery Plan	Implemented	Submitted	Work in accordance with due dates, including those of overseas operations
	ISDA Protocol: Stays on early termination rights following the start of resolution proceedings of derivatives counterparty	2015	Open for adherence	Works in progress at each of the relevant major entities
Capital requirement	Required to raise the level and quality of capital and enhance risk coverage under Basel III	2013	Under phased implementation	Achieved our target of 8% CET 1 ratio by Mar. 2013, one year ahead of schedule
	Fundamental review of trading book (Strengthened capital standards for market risk)	TBD	Consultation on outstanding issues commenced in Dec. 2014. Finalisation targeted by end-2015	Implementation schedule remains unclear. Paying attention to discussions
	Review of the Standardised Approaches	TBD	Consultation for operational risk and credit risk commenced in Oct. and Dec. 2014	Details and implementation schedule of regulation remain unclear. Paying attention to discussions
	Capital floors	TBD	Consultation commenced in Dec. 2014	Details and implementation schedule of regulation remain unclear. Paying attention to discussions
	Interest-rate risk in the banking book	TBD	Under discussion at BCBS	Details and implementation schedule of regulation remain unclear. Paying attention to discussions
Leverage ratio requirement	Non-risk-based measure based on "on-and off-accounting balance sheet items" against Tier I capital. Minimum requirement: 3% (on a trial basis)	2018	Finalised at BCBS / Domestic regulation under consultation	Currently have no issues in meeting requirements although paying attention to national finish. Minimum requirement of 3% subject to reexamination internationally
Minimum standards for liquidity (LCR/NSFR)	LCR: Required to have sufficient high-quality liquid assets to survive a significant stress scenario lasting for one month. >=100% needed	2015	Domestic regulation finalised in Oct. 2014	In good position due to domestic deposit base. Intend to further strengthen foreign currency ALM
	NSFR: Required to maintain a sustainable maturity structure of assets and liabilities >=100% needed	2018	Finalised at BCBS in Oct. 2014	Currently have no issues in meeting requirements although paying attention to national finish
Large exposure regulation	Tightening of exposure limit to a single borrower (25% of Tier1) and expansion of scope of applicable exposure type, etc.	Jan. 2019	Partly implemented in Dec. 2014	Limited impact from early adoption of derivatives, etc. Paying attention to remaining issues including treatment of interbank exposures
OTC derivatives markets reforms	<ul style="list-style-type: none"> Centralizing of OTC derivatives clearing Margin requirement for non-centrally cleared derivatives 	Dec. 2012 Dec. 2015	Scope of application being expanded / Domestic regulation for disclosure under development	Taking actions needed although impact will be smaller compared to investment banks
Regulation of shadow banking system	Strengthen the oversight and regulation of the shadow banking system such as MMFs, repos and securitizations	TBD	Discussion underway on five specific areas	FSB's proposal to apply haircut floors on repo transactions excluded JGBs as applicable collateral (Aug. 2013)
Limitation on banking activities / Ring fencing regulation	<ul style="list-style-type: none"> US operations of depository institutions and affiliates prohibited from proprietary trading, sponsorship and ownership in funds (Volcker Rule) Requirements for foreign banking organizations (FBO Rule) 	Jul. 2015 Jul. 2016	Final regulation published	Business related to regulation is limited. Taking actions needed.
	Ring-fenced banks prohibited from providing certain services and required to be isolated from the rest of the financial group in UK and EU	TBD	UK: Enacted in Dec. 2013, EU: Proposal published in Jan. 2014	SMBC will be out of scope, but still paying close attention to the discussion
Bank Levy	Financial transaction Tax (FTT)	TBD	Under discussion	While details of regulation remain unclear, the impact is assumed to be manageable

Able to meet requirements easily

Able to meet requirements

Impact unclear

Revision to the Standardised Approach for credit risk / Capital floors

Revision to the Standardised Approach for credit risk*

Exposures	Current risk weights	Proposed revision of risk weights
Corporate exposures	· From 20% to 150% by reference to the external credit ratings	· From 60% to 300% based on a corporate's revenue and leverage
Specialised lending	· 100%	· Project finance, Object finance, commodities finance, income-producing real estate finance: 120% · Exposures to land acquisition, development and construction finance: 150%
Bank exposures	· From 20% to 150% according to the sovereign rating or the bank's credit rating	· From 30% to 300% based on the bank's CET1 ratio and a net non-performing assets ratio
Retail exposures	· 75% for exposures that meet the regulatory retail criteria	· Considering whether to maintain
Exposures secured by residential real estate	· 35%	· From 25% to 100% based on the loan-to-value (LTV) ratio; preferential risk weights for loans with debt service coverage (DSC) ratio of 35% or less
Exposures secured by commercial real estate	· 100%	· A) No recognition of the real estate collateral, treating the exposure as unsecured with a national discretion for a preferential 50% risk weight: or; B) From 75% to 120% based on the LTV ratio
Subordinated debt, equity and other capital instruments	· Either 100% or 250% when issued by banks or securities firms; no distinct treatment when issued by corporates	· Sub debts and capital instruments other than equities: 250% · Public traded equity: 300% · Other equity: 400%
Off-balance sheet exposures	· Commitment that a bank may cancel unconditionally, or effectively provide automatic cancellation due to the deterioration of borrower: 0%	· Commitment that a bank may cancel unconditionally, or effectively provide automatic cancellation due to the deterioration of borrower: 10%

* The credit risk standardised approach treatment for sovereigns, central banks and public sector entities are not within the scope of the proposals. It will be considered as part of a broader and holistic review of sovereign-related risks.

Capital floors

Current framework

- For banks using the internal rating-based (IRB) approach for the credit risk and/or an advanced measurement approach (AMA) for operational risk

(The simplified framework for Japanese banks shown below)

(i) RWA based on IRB

compare

(ii) 80% of RWA based on the most recent approach after migration to the IRB approach and/or AMA (e.g. (i) AIRB/(ii) FIRB, (i) FIRB/(ii) Basel I)

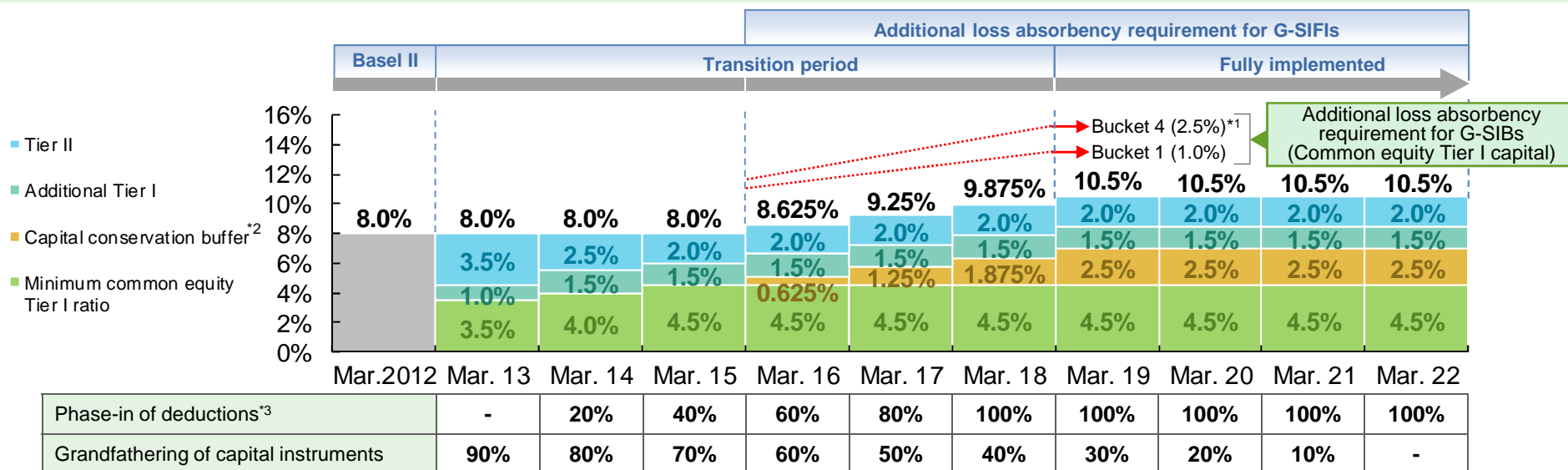
- If (i) is less than (ii), the bank should add the amount of difference to (i) when calculating its RWA

Revision under consultation

- While the revision for the capital floors is consulted separately from the revisions to the standardised approaches, it will be finalised in accordance with the revisions to the standardised approaches
- Details including the level of capital floors and implementation schedule are unclear

Application of Basel III

- Capital requirements have been phased-in since March 2013 in line with international agreements
- Leverage ratio, liquidity requirements, such as liquidity coverage ratio and net stable funding ratio, and capital buffers, such as capital conservation buffer and countercyclical buffer, are expected to be published according to their adoption schedule
 - No additional requirements anticipated on top of minimum Basel requirement in Japan
 - Able to pass Basel requirement easily according to provisional calculation based on current draft rules



Leverage ratio and liquidity rules (Schedule based on consultation and final documents by BCBS, and domestic regulation)^{*4}

Leverage ratio	Dec. 2014 Domestic consultation commenced	Mar. 2015: Start disclosure (<i>minimum: 3%</i>)	Jan. 2018: Migration to pillar 1
Liquidity coverage ratio (LCR)	Oct. 2014 Domestic regulation finalised	Phased-in from Mar. 2015	1st half 2017: Final adjustments to definition and calibration
Net stable funding ratio (NSFR)	Oct. 2014 Finalised at BCBS	Oct. 2014: Final document published	2018/1: Full implementation

*1 With an empty bucket of 3.5% to discourage further systemicness.

*2 Countercyclical capital buffer omitted in the chart above; if applied, expected to be phased-in in the same manner as the Capital conservation buffer. In accordance with the buffer set by each country, Japanese banks may have to meet additional capital requirements depending on the exposures in those countries.

*3 Including amounts exceeding limit for deferred tax assets, mortgage servicing rights and investment in capital instruments of unconsolidated financial institutions.

*4 Draft on other domestic rules to be applied after 2016, such as the NSFR, will be published in due course. Timeline based on BCBS documents is in italic.

Public sector support and point of non-viability in Japan

	Framework	Systemic risk	Subject entities	Conditions	Point of non-viability	No. of cases
Existing framework	Act on Special Measures for Strengthening Financial Functions <i>Capital injection</i>	Not Required	Banks (Capital injection may be made through BHC)	No suspension of payment of deposits and not having negative net worth	No	29
	Article 102 of Deposit Insurance Act (DIA)	Required (Credit system in Japan or in a certain region)	Banks only	Undercapitalized	No	1
				Item 2 measures <i>Financial assistance exceeding payout cost</i>	Yes*3	-
				Item 3 measures <i>Nationalization</i>		1
Newly established framework	Article 126-2 of DIA	Required (Financial system such as financial market in Japan)	Financial institutions including banks and BHCs	Specified Item 1 measures <i>Liquidity support</i> <i>Capital injection</i>	No	-
				Specified Item 2 measures <i>Supervision or control and</i> <i>Financial assistance for orderly resolution</i>	Yes*3	-

*1 Including the likelihood of a suspension of payment of deposits

*2 Including the likelihood of a suspension of payment or negative net worth

*3 Specified in Q&A published by FSA on March 6, 2014

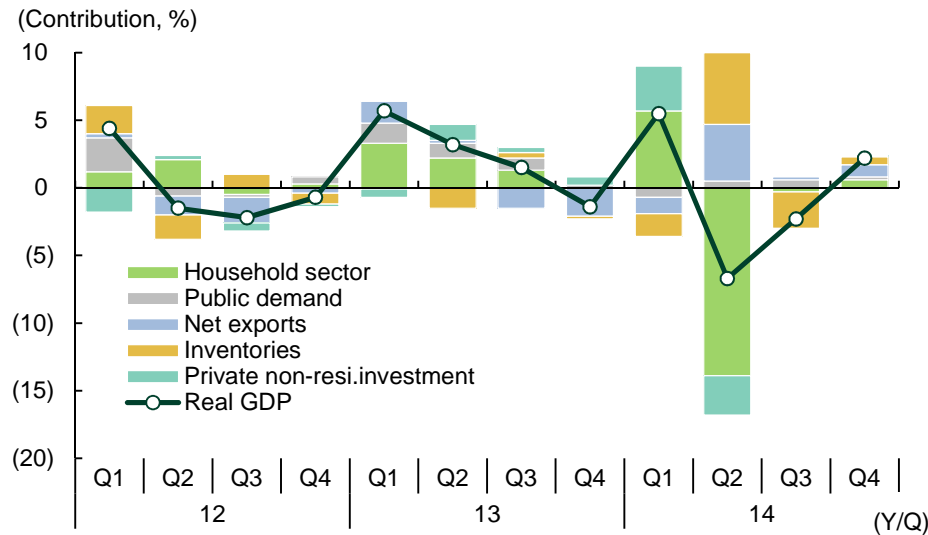
Credit ratings of G-SIBs (Moody's)*

	Apr. 2001	Jul. 2007	Jan. 2015
Aaa		<ul style="list-style-type: none"> Bank of America Bank of New York Mellon Citibank JPMorgan Chase Bank Royal Bank of Scotland UBS Wells Fargo Bank 	
Aa1	<ul style="list-style-type: none"> Bank of America Crédit Agricole Wells Fargo Bank UBS 	<ul style="list-style-type: none"> Banco Santander Barclays Bank BBVA BNP Paribas Crédit Agricole Credit Suisse Deutsche Bank HSBC Bank ING Bank Nordea Bank Société Générale State Street Bank & Trust 	
Aa2	<ul style="list-style-type: none"> Bank of New York Mellon Barclays Bank BBVA Citibank HSBC Bank ING Bank JPMorgan Chase Bank Royal Bank of Scotland State Street Bank & Trust 	<ul style="list-style-type: none"> SMBC BPCE(Banque Populaire) BTMU Mizuho Bank UniCredit 	<ul style="list-style-type: none"> Bank of New York Mellon
Aa3	<ul style="list-style-type: none"> Banco Santander BNP Paribas BPCE(Banque Populaire) Deutsche Bank Société Générale UniCredit 	<ul style="list-style-type: none"> Goldman Sachs Bank Morgan Stanley Bank 	<ul style="list-style-type: none"> HSBC Bank JPMorgan Chase Bank Nordea Bank State Street Bank & Trust Wells Fargo Bank
A1	<ul style="list-style-type: none"> Credit Suisse 	<ul style="list-style-type: none"> Agricultural Bank of China Bank of China ICBC 	<ul style="list-style-type: none"> SMBC Agricultural Bank of China Bank of China BNP Paribas BTMU Credit Suisse ICBC Mizuho Bank Standard Chartered
A2	<ul style="list-style-type: none"> BTMU Standard Chartered 	<ul style="list-style-type: none"> Standard Chartered 	<ul style="list-style-type: none"> Bank of America Barclays Bank BPCE(Banque Populaire) Citibank Crédit Agricole Goldman Sachs Bank ING Bank Société Générale UBS
A3	<ul style="list-style-type: none"> SMBC Mizuho Bank 		<ul style="list-style-type: none"> Deutsche Bank Morgan Stanley Bank
Baa1	<ul style="list-style-type: none"> Agricultural Bank of China Bank of China ICBC 		<ul style="list-style-type: none"> Banco Santander Royal Bank of Scotland
Baa2			<ul style="list-style-type: none"> BBVA UniCredit

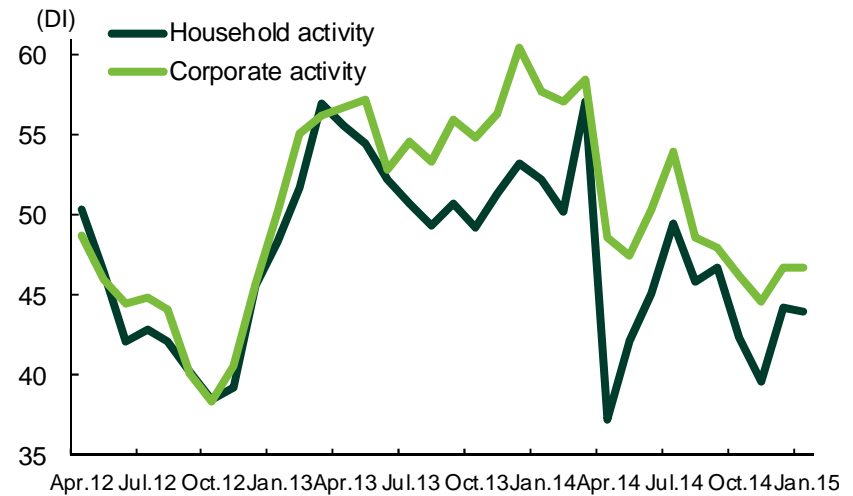
* Long-term issuer ratings (if not available, long-term deposit ratings) of operating banks

Current Japanese economy

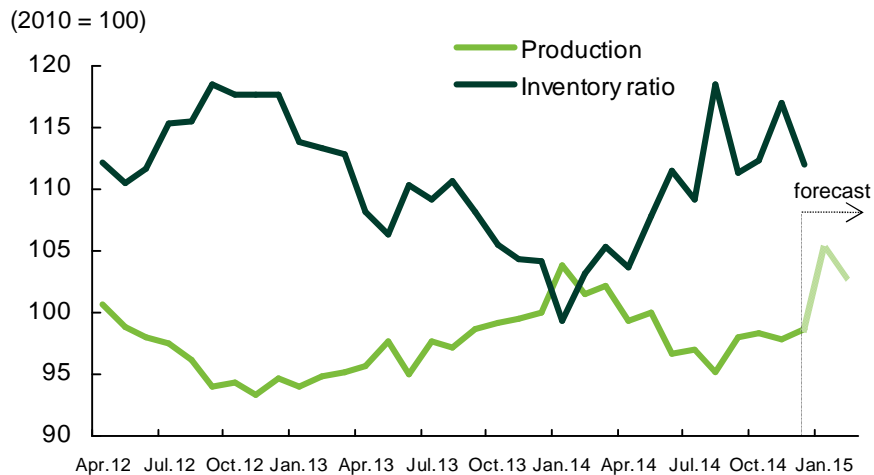
Real GDP growth rate (annualized QoQ change)*1



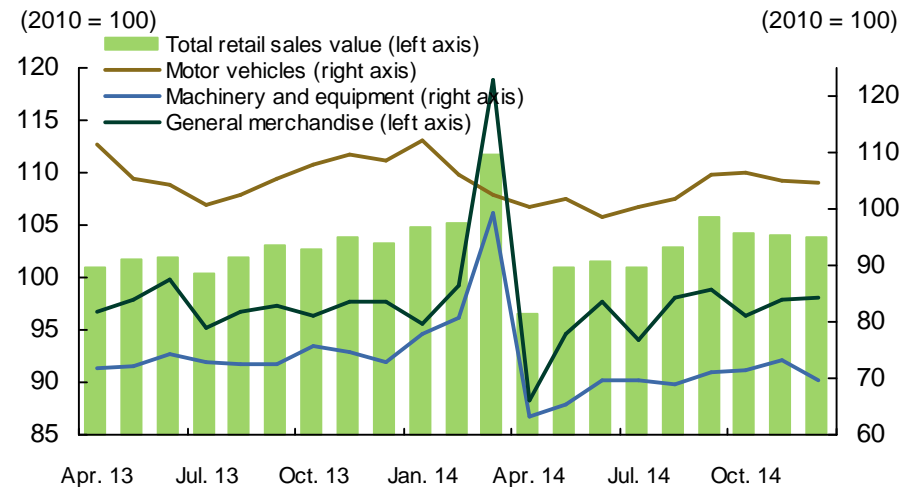
Economy watchers survey*2



Indices of industrial production*3, 4



Indices of retail sales value by type of business*3, 5



*1 Source: Cabinet Office. Seasonally adjusted series. Household sector = Private consumption + Private residential investment, Inventories = Change in private and public inventory, Public demand = Government consumption + Public investment

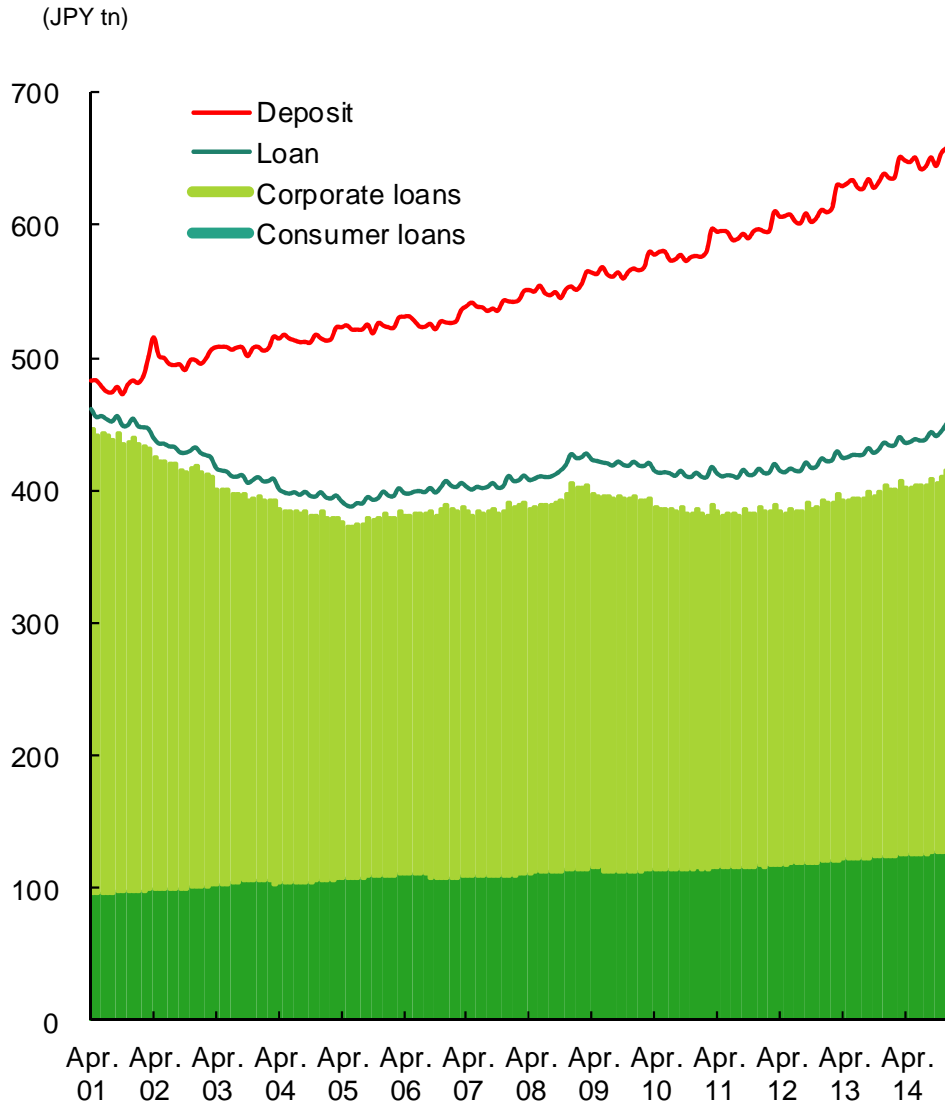
*2 Source: Cabinet Office. Diffusion index for current economic conditions

*3 Source: Ministry of Economy, Trade and Industry. *4 Seasonally adjusted indices. In Jan. and Feb. 2015, based on the indices of production forecast

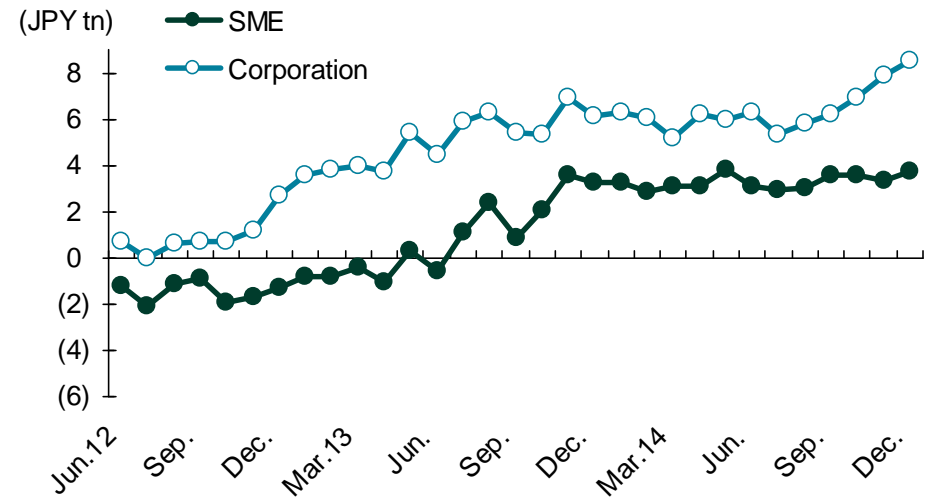
*5 Seasonally adjustment indices. Machinery and equipment: such as household electrical appliance, General merchandise: such as department store

Trends of loan and deposit balance in Japan*1

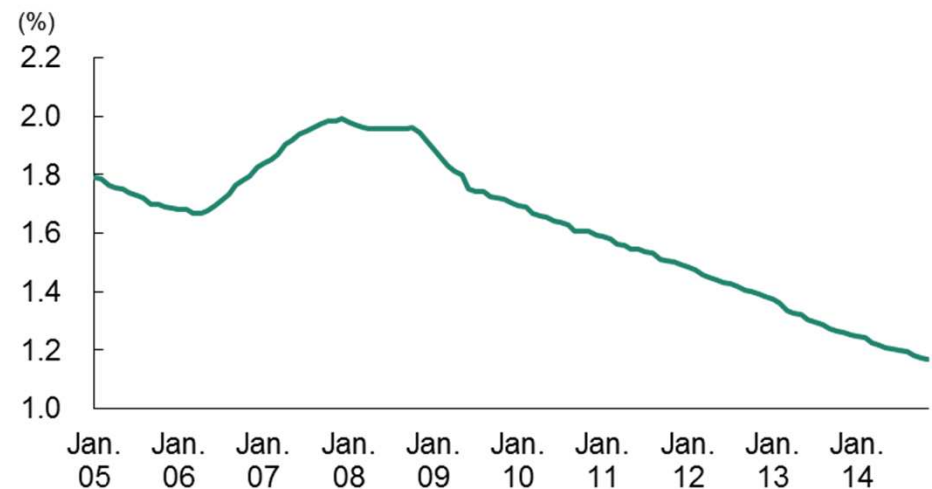
Loan and deposit balance of domestic banks



YoY increase/decrease of loan balance*2



Average loan spread of domestic banks*3



*1 Source: Bank of Japan "Deposits and Loans Market"

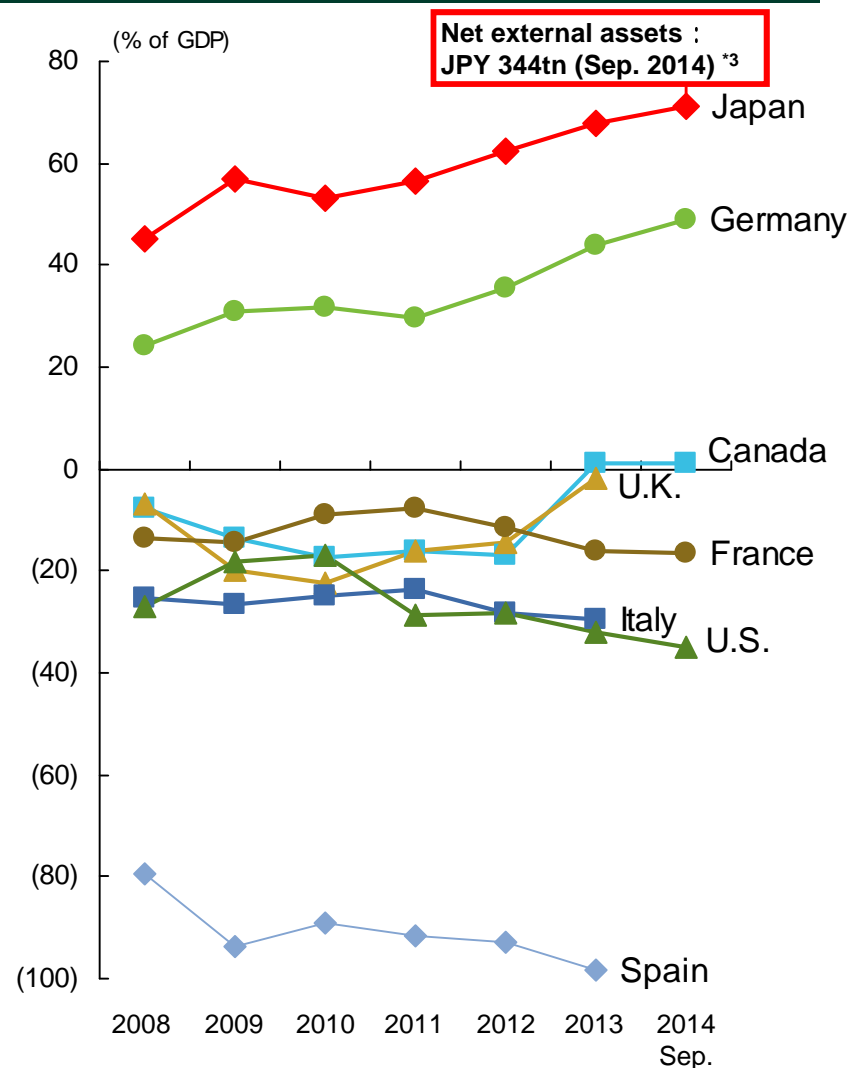
*2 Period end balance *3 Stock basis

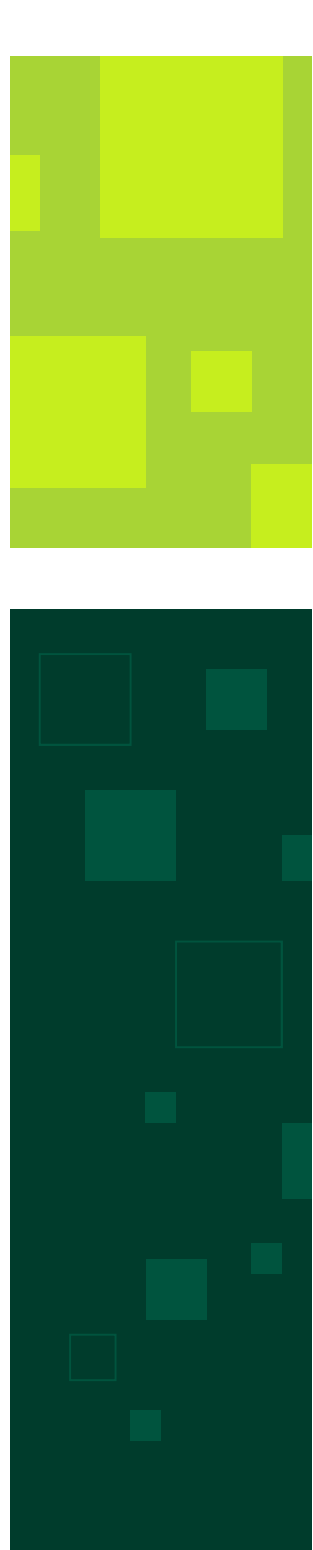

Japanese national wealth

Balance sheet of Japan (as of Dec. 2013, JPY tn)^{*1}

Closing assets		9,295	Closing liabilities plus net worth		9,295
Households		2,687	Households		359
Financial assets		1,656	Non-financial corporations		1,490
Non-financial assets		1,031	of which: Stocks		678
of which: Land		676	Financial corporations		3,202
Non-financial corporations		2,045	of which: Stocks		201
Financial assets		1,028	To Nominal GDP: 241.6%		
Non-financial assets		1,017	General government		1,167
of which: Land		267	Closing liabilities		6,246
Financial corporations		3,296	Net worth		3,049
General government		1,168	Households		2,328
of which: Financial assets		577	Non-financial corporations		555
Financial assets		6,571	Financial corporations		94
Non-financial assets		2,724	General government		0

Net international investment position^{*2}





This document contains “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995), regarding the intent, belief or current expectations of us and our managements with respect to our future financial condition and results of operations. In many cases but not all, these statements contain words such as “anticipate”, “estimate”, “expect”, “intend”, “may”, “plan”, “probability”, “risk”, “project”, “should”, “seek”, “target” and similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those expressed in or implied by such forward-looking statements contained or deemed to be contained herein. The risks and uncertainties which may affect future performance include: deterioration of Japanese and global economic conditions and financial markets; declines in the value of our securities portfolio; our ability to successfully implement our business strategy through our subsidiaries, affiliates and alliance partners; exposure to new risks as we expand the scope of our business; and incurrence of significant credit-related costs. Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this document. We undertake no obligation to update or revise any forward-looking statements.

Please refer to our most recent disclosure documents such as our annual report on Form 20-F and other documents submitted to the U.S. Securities and Exchange Commission, as well as earnings press releases, for a more detailed description of the risks and uncertainties that may affect our financial conditions and results of operations, and investors’ decisions.