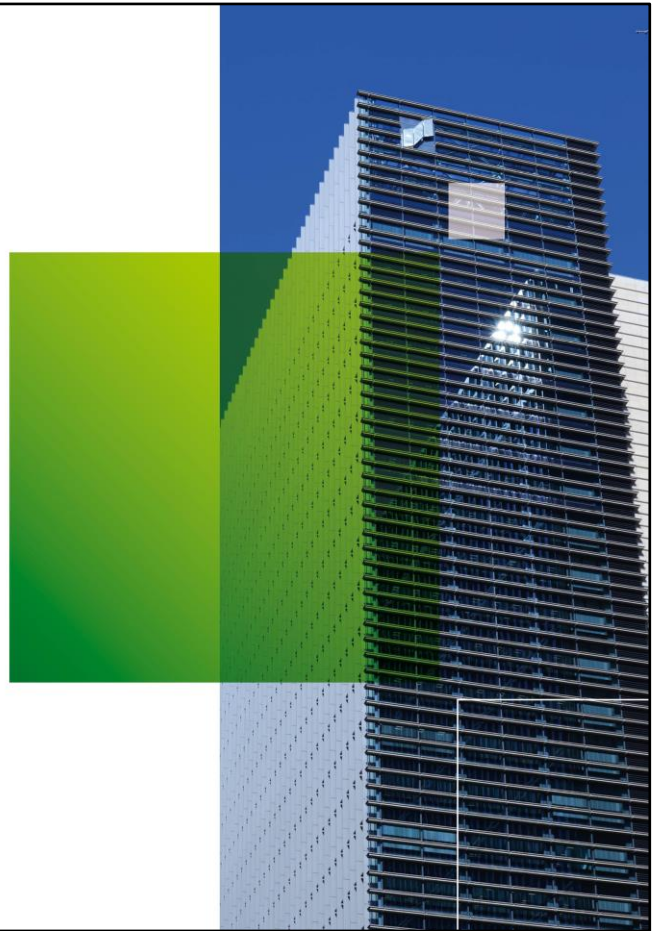


SMBC Group IR Day

August 30, 2022

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Agenda

■ Opening	Group CEO	Jun Ohta
■ P3 Wholesale	Senior Managing Executive Officer	Muneo Kanamaru
■ P11 Retail	Senior Managing Executive Officer	Takashi Yamashita
■ P20 Global	Senior Managing Executive Officer	Tetsuro Imaeda
■ P26 Global Markets	Senior Managing Executive Officer	Masamichi Koike
■ CFO Session	Group CFO	Toru Nakashima

Wholesale

**Muneo Kanamaru,
Senior Managing Executive Officer**

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Progress of Medium-Term Management Plan

Financial target^{*1}

Net business profit	ROCET1	RWA
FY3/23	FY3/23	In 3 years
JPY 440 bn	9%	+ JPY 1.6 tn
Vs. FY 3/20 + JPY 40 bn		Previous plan JPY (0.6) tn

KPI

	FY3/20	FY3/22	FY3/23 target
Base profit (vs. FY3/20)	-	+13.9%	+3.8%
Finance and investment in strategic areas ^{*2}	-	Cumulative JPY 3.3 tn	Cumulative JPY 4.4 tn
# of clients providing digital solutions	3.1 K	14.0 K	10 K
# of digital solution related transaction	1.6 K	18.0 K	13 K
Sustainable finance	-	Cumulative JPY 2.4 tn	Cumulative JPY 1.4 tn
League table (# of Japanese M&A deals) ^{*3}	#4	#2	#2

^{*1} Managerial accounting basis of FY3/23 ^{*2} LBO, PF, NRL, REIT, DIP
^{*3} >JPY 10 bn ^{*4} After adjustments of the changes in interest rates and exchange rates
^{*5} Excluding the mid-long-term funding cost

FY3/2022 result

(JPY bn)	FY3/22	YoY ^{*4}
Gross profit	707.5	+50.5
Expenses	303.6	+5.1
(Overhead ratio)	42.9%	(2.5)%
Net business profit	469.7	+58.4
ROCET1 ^{*5}	10.4%	+3.7%
RWA (JPY tn)	31.1	+0.1

Key initiatives

Solutions for complicated financial needs	Executed several LBO loans through identifying risks using group strength
Sustainable business	Customer interest increased rapidly # of engagements: c. 7,500 clients
Group real estate strategy	Strengthened risk-taking, CRE proposals and brokerage capability of SMBC Trust

We aim for net business profit of JPY 440 bn and ROCET1 of 9% in this Medium-Term Management Plan.

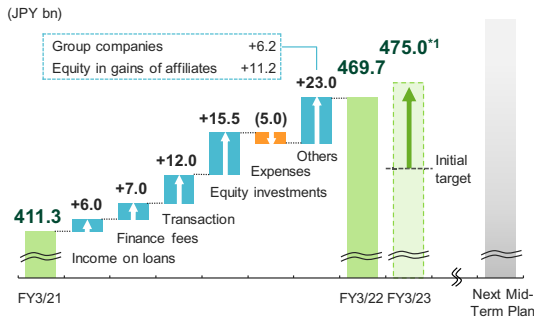
We have already achieved five out of the six KPIs related to business strategies in two years.

In FY3/22, we carefully addressed each management issue of our clients who were urged to transform their businesses, while the impact of COVID-19 remained and the earnings environment changed dramatically: the situation in Russia and Ukraine, the shortage of semiconductors, and the acceleration of decarbonization efforts.

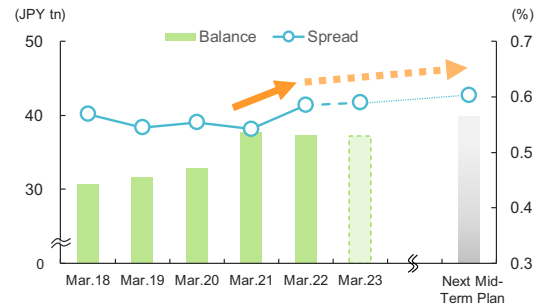
Net business profit increased YoY by JPY 58.4 bn to JPY 469.7 bn and ROCET1 increased YoY by 3.7% to 10.4%, which are well above the targets of the Medium-Term Management Plan as a result of our persistent activities.

FY3/2022 result

Net business profit (YoY)

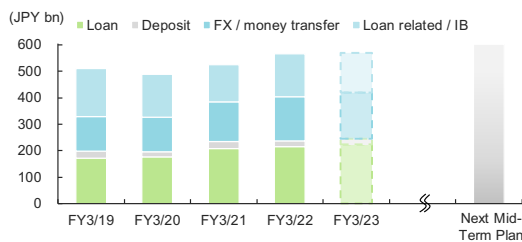


Loans

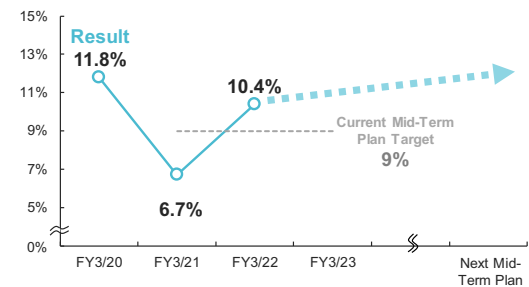


Breakdown of gross profit (SMBC)^{*2}

Maintain same level from FY3/22 and exceed the target of the Mid-Term Management Plan in FY3/23



ROCET1



^{*1} Managerial accounting basis of FY3/23 ^{*2} Client related profit of Wholesale Banking Unit

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In FY3/22, net business profit increased in income on loans, finance related fees, transaction, and equity investments due to the recovery of corporate and market activities that had been sluggish in FY3/21 by COVID-19.

In FY3/23, we aim to achieve JPY 475 bn, a JPY 35 bn increase from the initial Medium-Term Management Plan target, while paying attention to risks such as exchange rate fluctuations and sharp rises in raw material prices.

Gross profit of SMBC has been steadily increasing in income on loans and domestic and foreign exchange commissions.

Income on loans increased by improving loan spread and accumulating high profit assets like hybrid finances and LBO finances, while loan balance decreased due to the repayment of COVID-19 related loans and a large M&A bridge finances. We will continue to increase high profit loans in growth areas and maintain the trend of profit growth.

ROCET1 reached 10.4% in FY3/22, recovered from a temporary decline under COVID-19 and exceeding the 9% target for the final year of the Medium-Term Management Plan. This was mainly due to YoY increase in gross profit and gains on stocks. We will maintain or improve ROCET1 by strengthening the top-line revenue and appropriately controlling RWA.

In the next Medium-Term Management Plan, we will aim to further enhance corporate value through the pursuit of social value, while maintaining our major directions of allocating resources to growth areas.

Overview of FY3/2023 key initiatives

Medium-Term Management Plan

Transformation & Growth

- Create new businesses on a group basis by sincerely responding to social issues and changes in customer needs
- Build strong business foundation by reviewing business and allocating resources to growth areas

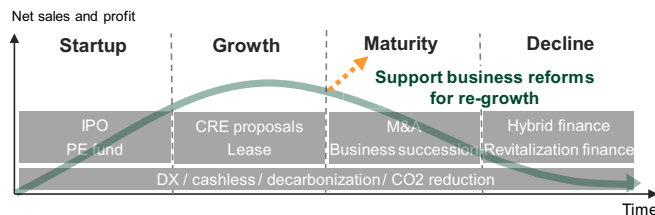
Environment



Facing needs to review business

Support customers' growth by responding to changes in their management issues

Solutions by corporate life stage



Key initiatives

Focus on enhancing expertise / competitive edges on a group basis

Seven key initiatives

- 1 Solutions for complicated financial needs
- 2 Business investment
- 3 Digital solutions for corporates
- 4 Sustainable business
- 5 Group real estate strategy
- 6 Business with growing companies
- 7 Approach to business owners

Gross profit in focus areas over 3 years
+ JPY 63.5 bn

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Under the keywords of "Transformation & Growth," we have been strengthening our businesses in growth areas and business foundation to create new opportunities in this Medium-Term Management Plan.

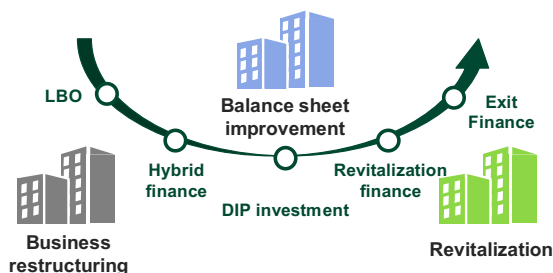
The rapid changes in the social environment have made our clients' management issues more complicated and challenging in recent years. It is inevitable for us to enhance our expertise as well as creating and strengthening new edges on a group-wide basis to support those clients.

We will implement the seven measures shown on the right, with the goal of achieving top-line growth of JPY 63.5 bn compared to FY3/20.

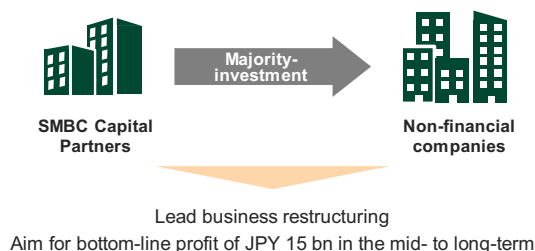
FY3/2023 key initiatives (1)

1 Solutions for complicated financial needs

Gross profit (in 3 years)
+ JPY 27 bn



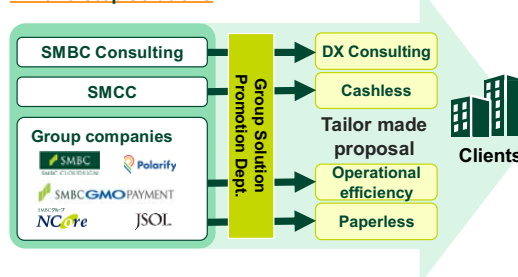
2 Business investment



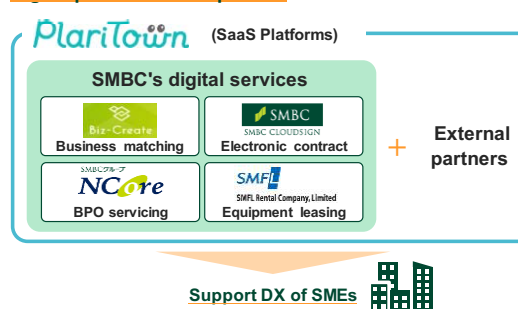
3 Digital solutions for corporates

Gross profit (in 3 years)
+ JPY 8 bn

DX one-stop solutions



Digital platform for corporates



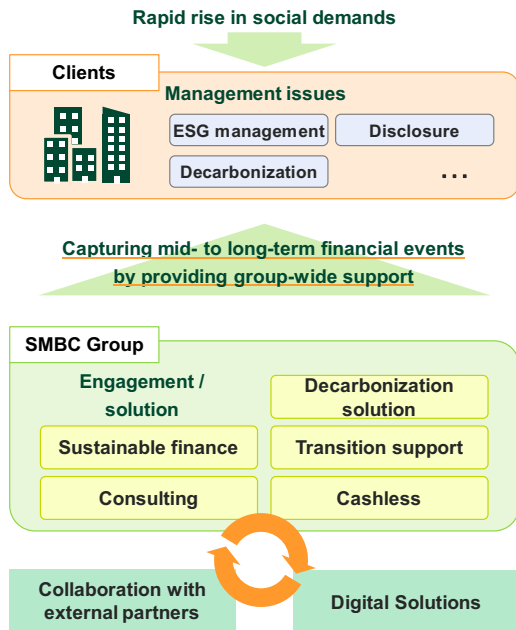
We expect to see a continued increase in needs for business restructuring, recapitalization, corporate revitalization, etc. as clients are under pressure to review their business structure. We aim to increase revenues by JPY 27 bn during this Medium-Term Management Plan by strengthening our ability to provide appropriate solutions while properly controlling risks.

We are the first megabank to enter business investment in light of the revision of the Banking Act. We are taking the lead in business restructuring of growing and mature companies, and developing a structure to achieve bottom-line profit of JPY 15 bn over the medium- to long-term.

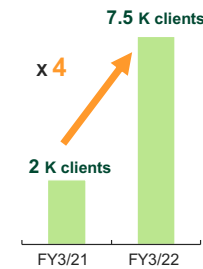
Customer needs for DI (digital innovation) and DX (digital transformation) has been strongly increasing especially among medium-sized companies. Group Solution Promotion Department provides tailor-made solutions to customers who need advices on where to start from. We also provide digital services of SMBC Group and external partners through our digital platform “PlariTown” to support the promotion of DX of SMEs. We aim to achieve top-line growth of JPY 8 bn during the Medium-Term Management Plan.

FY3/2023 key initiatives (2)

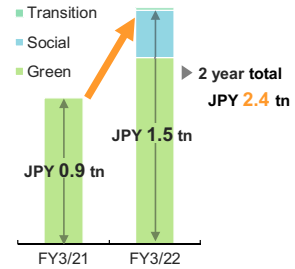
4 Sustainable Business



of engagements

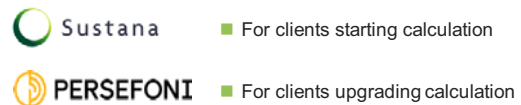


Sustainable Finance



Digital tools

Calculation of GHG emissions



Green deposit

FY3/22 USD 528 mn



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We intend to capture medium- to long-term financial events by continuously supporting customers' efforts to decarbonize their businesses by leveraging Group expertise in engagements and providing solutions.

The number of dialogue sessions with customers has dramatically increased by four times in the last year and the amount of sustainable finance executed has also increased to JPY 2.4 tn over the past two years.

We released "Sustana" in May 2022, a digital tool for calculating GHG emissions, as an initiative to support customers' transition.

We also released "PERSEFONI" in August 2022, expanding the calculation boundary to overseas offices and Scope 3.

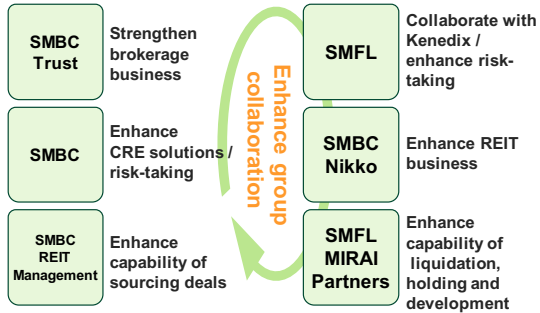
We have also launched "Green Deposit" in FY3/22 as the first Japanese financial institution to obtain third-party certification.

We will continue to enhance our sustainability solutions from both financial and non-financial perspectives, as well as supporting transformation and decarbonization of clients' business model.

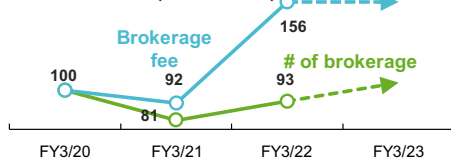
FY3/2023 key initiatives (3)

5 Group real estate strategy

Gross profit (in 3 years)
+ JPY 19 bn



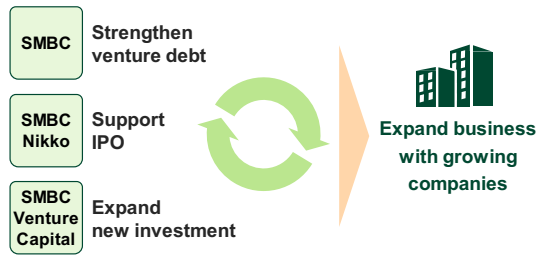
Growth rates*1 of real estate brokerage business (SMBC Trust)



*1 The result of FY3/20 =100

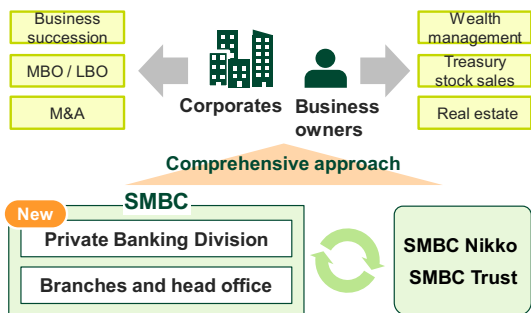
6 Business with growing companies

Gross profit (in 3 years)
+ JPY 6 bn



7 Approach to business owners

Gross profit (in 3 years)
+ JPY 3.5 bn



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I believe that there are growth opportunities at various points in the sale and liquidation process of real estates, including launch of STO and private REIT as inquiries from clients increase.

We aim to achieve top-line growth of JPY 19 bn in this Medium-Term Management Plan by supporting our clients' CRE strategies with SMBC playing a central role in enhancing the level of group collaboration.

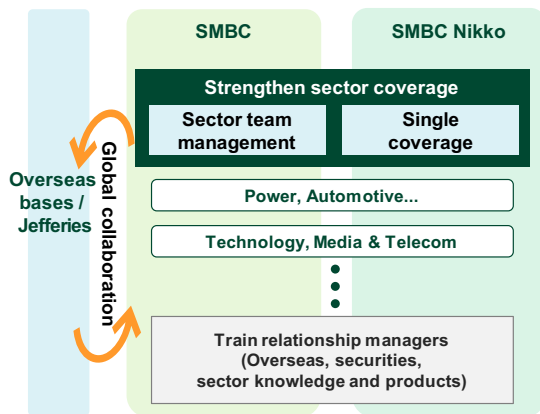
We will improve SMBC's marketing structure and utilize venture debt to expand transactions with growing companies. SMBC, SMBC Nikko, and SMBC Venture Capital will work together to support growing companies and aim for top-line growth of JPY 6 bn during this Medium-Term Management Plan.

We established Private Banking Division within Wholesale Business Unit in this fiscal year to respond to the increasingly challenging needs of business owners.

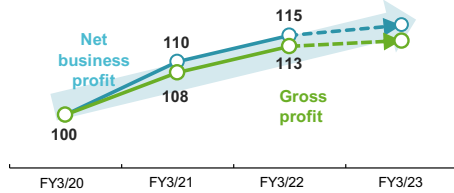
We aim to further increase transactions with business owners and capture IB business by strengthening collaboration among branches and group companies on top on our private bankers' close communication. We aim for top-line growth of JPY 3.5 bn during this Medium-Term Management Plan.

FY3/2023 key initiatives (4)

Global large corporates strategy



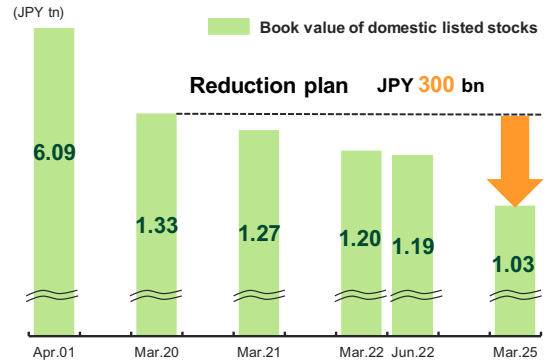
Growth rates^{*1} of business with global large corporates (SMBC)



*1 The result of FY3/20 =100

Strategic shareholdings

Reduced JPY 136 bn by 1Q FY3/23.
Steady progress toward the reduction target of JPY 300 bn in 5 years.



Reduction

Current reduction plan (Mar.20 -)	
Reduction	JPY 136 bn
Consent of sales	JPY 60 bn
Total	JPY 196 bn

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SMBC Nikko is promoting single coverage and SMBC is strengthening its sector approach capability on a global basis to strengthen our proactive approach to large companies. We also consistently train relationship managers to support large corporates with various knowledge .

We are making steady progress toward our plan to reduce strategic shareholdings by JPY 300 bn over the five-year period beginning April 2020. We have already reduced JPY 136 bn by 1Q FY3/23 and will continue engagements with our clients toward achieving the target.

Retail

Takeshi Yamashita,
Senior Managing Executive Officer

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Progress of Medium-Term Management Plan (1)

Financial target^{*1}

Net business profit	ROCET1	RWA
FY3/23	FY3/23	In 3 years
JPY 305 bn	12%	+ JPY 0.4 tn
Vs. FY3/20 + JPY 45 bn		Previous plan JPY (0.3) tn

KPI

	FY3/20	FY3/22	FY3/23 target
Balance of fee-based AUM ^{*2}	JPY 15.1 tn	JPY 17.8 tn	JPY 18 tn
Credit card sales handled	JPY 20.3 tn	JPY 24.8 tn	JPY 31 tn
Balance of card loans	JPY 1.8 tn	JPY 1.6 tn	JPY 1.9 tn
# of digital channel users	6.4 mn	8.18 mn	8 mn
Utilization rate	37%	41%	40%
Cost reduction from retail branch reorganization		- JPY (18) bn	JPY (25) bn

^{*1} Managerial accounting basis of FY3/23 ^{*2} Balance of investment products generating investment income, such as trust fees (fund wrap, investment trusts, foreign currency deposits, insurance, etc.) ^{*3} After adjustments of the changes in interest rates and exchange rates ^{*4} Excluding impact from provision for losses on interest repayments, etc.

FY3/2022 result

(JPY bn)	FY3/22	YoY ^{*3}
Gross profit	1,146.9	+16.1
Expenses	935.5	+21.4
(Overhead ratio)	81.6%	+0.7%
Net business profit	214.9	(4.6)
ROCET1 ^{*4}	9.5%	(0.3)%
RWA (JPY tn)	12.7	+0.2

Key initiatives

Wealth management	<ul style="list-style-type: none"> Build a total asset consulting model leveraging group resources and solutions Expand inheritance business on a group basis
Payment	<ul style="list-style-type: none"> Accelerate cashless payment strategy Expand payment business with corporates
Consumer finance	<ul style="list-style-type: none"> Increase SMCC's balance utilizing the expertise of SMBCCF
New business	<ul style="list-style-type: none"> Launched Family Network Service (Aug.22-)

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We have lowered the target of net business profit by JPY 20 bn compared to the initial target of the Medium-Term Management Plan. This is due to the negative impact of COVID-19 which unexpectedly decreased the card loan balance.

Most of the KPIs are exceeding or in line with the target. We have been able to make achievements through steady implementation of key initiatives shown in the right-hand side.

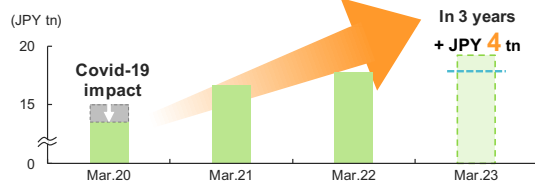
Only card loan business is behind the plan, but the loan balance has already bottomed out and is expected to recover in the next Medium-Term Management Plan.

Progress of Medium-Term Management Plan (2)

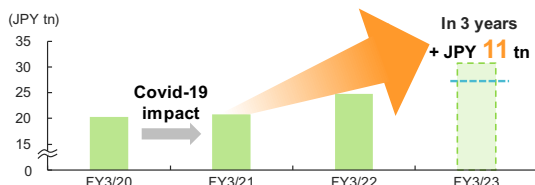
KPI

Blue line indicates Mid-Term Management Plan target

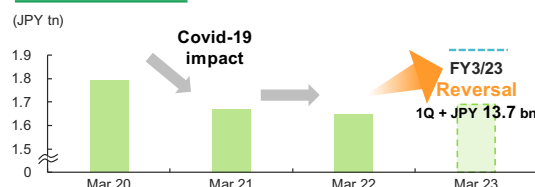
Balance of fee-based AUM



Credit card sales handled

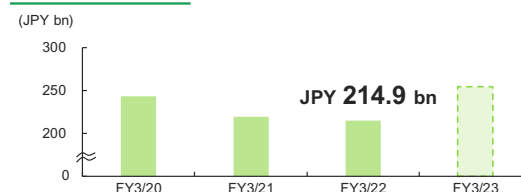


Card loan balance

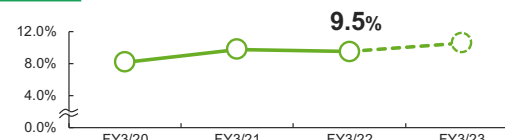


Financial results

Net business profit



ROCET1



Major cost reduction initiatives

Exceeded FY3/23 KPI of JPY (25) bn

	FY3/21	FY3/22	FY3/23
Effect of retail branch reorganization	JPY (7) bn	JPY (18) bn	JPY (26) bn
Headcount	(2.1) K	(3.1) K	(2.0) K

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In the wealth management business, we expect the balance of fee-based AUM to increase by JPY 4 tn in three years. Especially, the balance of fund wraps and investment trusts recorded the largest increase of JPY 1.2 tn last fiscal year.

The increase of credit card sales handled exceeded the industry average. We expect an increase of JPY 11 tn in three years regardless of the COVID-19 impact in the first year.

As to consumer finance business, the balance of card loan has already bottomed out. We will maintain net business profit and ROCET1 at almost the same level by offsetting COVID-19 impact through cost reduction initiatives like the retail branch reorganization.

Our major businesses all show positive trend, and we will accelerate this in the next Medium-Term Management Plan. We will pursue bottom-line growth by expanding top-line revenue of our major businesses, promoting digitalization, and reducing cost on a group basis.

Environmental changes and social issues

Changes in the business environment

- U.S. interest rate hike / yen depreciation
- Inflation / rise in energy price
- Expansion of individual financial assets
: reached JPY 2 quadrillion
- Government's policy and movement for revising the current system

Issues in asset building

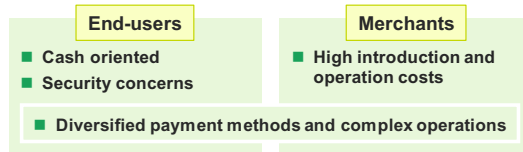
P.15

- Increase products and services to support investment and asset building
- Establish a customer-oriented marketing structure
- Strengthen support for smooth asset transfer to the next generation

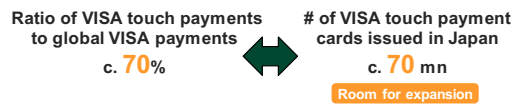
Issues in the cashless society

P.17

Challenges

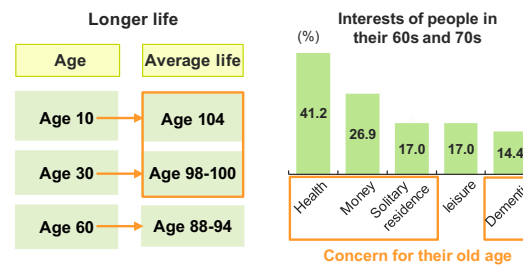


Penetration of touch payments



Issues in 100-year life era

P.19



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Asset building is becoming more significant social issues as the U.S. interest rate hike, yen depreciation, and impending inflation affects retail customers.

We assume these environmental changes will accelerate our businesses.

We provide services to solve issues of both merchants and end-users: “stera terminal” to reduce initial and running cost for merchants and “numberless card” for end-users who have concern in security or cash-oriented thoughts.

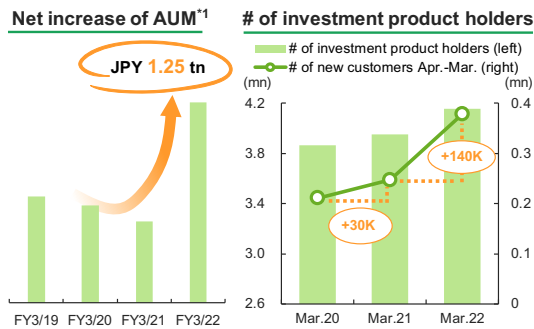
In the 100-year life era, there are needs for communication among elderlies who concern about their health and money.

We aim to develop our business sustainably by solving these social issues.

Sustainable growth of wealth management business

From savings to asset building

- Mid- to long-term diversified investment expanded with the increase in fund wraps and installment investments
- Reserved balance of investment trust is on an increasing trend

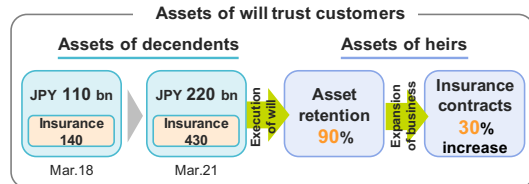
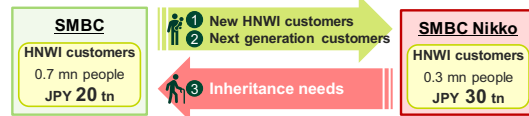


Marketing activities using leaflets

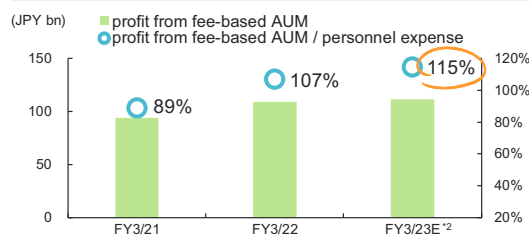
- Explain the proposal stance before commencing transactions (260K cases in FY3/22)

Sustainable HNWI customer base

- Steadily capture next-generation customers by #1 customer base in Japan and the trust in SMBC



Group-wide business transformation



^{*1} Investment trusts / fund wrap / insurance (sales - cancellations)
^{*2} Estimated full-year forecast by quadrupling 1Q FY3/23 results

We accumulated AUM by JPY 1.2 tn in FY3/22, which was the highest record, focusing on the sales of fund wraps and investment trusts. We are steadily expanding our customer base by advising customers to have a medium- to long-term view and diversify their investment. As a result, the number of new customers increased by 140 K in FY3/22.

We also focus on supporting asset inheritance to develop our business sustainably. The amount of asset inheritance in Japan is estimated to be JPY 1,000 tn in the future and JPY 700 tn is said to be of high-net-worth-individuals (HNWI). We can support inheritance of customers on a group basis.

We show the asset inheritance of our will trust customers on the right-hand side. By supporting decedents gather their assets and increasing insurance passing on to the next generation, we have been able to continue the relationships with their heirs.

As a result of these initiatives, transformation of our business model is proceeding well. The profit from fee-based AUM is expected to be 115% of personnel expense this fiscal year.

Retail branch reorganization

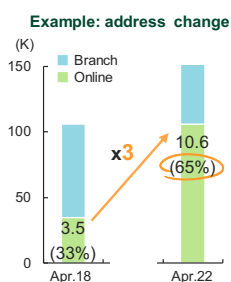
Improvement of branch profitability

	Previous plan		Current plan	
		Mar. 20		Mar. 23
# of branch	438		395 ^{*1}	
Effect	Total (JPY bn)	(20)	(26)	
	Personnel	(7)	(12)	
	# of clerical staff	11.4 K	8.8 K	
	Rent	(6)	(4)	
	ATM	(1)	(4)	
	Group companies	-	(5)	

Cost reduction and convenience

	Previous	Current
Own ATM	4.8 K	4.1 K
Shared ATM		+ MUFG ^{*2} 3.3 K
Total	4.8 K	7.4 K

Branch digitalization



Focus on customer touch point

Reorganization of branch network

- ✓ Open new branch in high brand and wealthy area
- ✓ Integrate branches in surrounding areas

High brand^{*3}

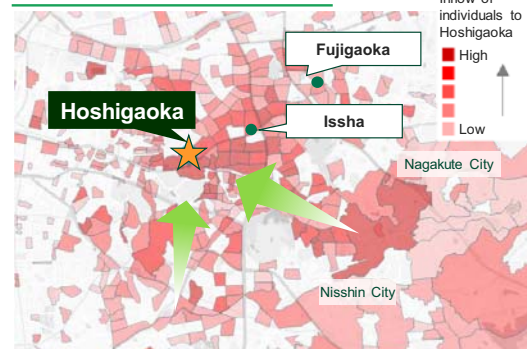
Ranking of cities people want to live in #1
Ranking of train stations people want to use #3

Households with annual income ≥ JPY 10 mn^{*4}

Hoshigaoka	(Ref.) Entire prefecture
14.1%	9.1%

Ratio to households within 2km from a branch

Attract customers from a wide area



*1 245 branches exclusively for individuals, o/w 4 are fully cashless *2 Off-branch ATM shared with MUFG

*3 Recruit : "SUUMO Ranking of cities people want to live in -2020 Aichi / Nagoya City-"

*4 Estimates based on national census in 2015 by Statistics Bureau, Ministry of Internal Affairs and Communications

Retail branch reorganization is one of our major initiatives to reduce cost. We are reviewing the operation processes and improving productivity to become the most reliable bank for customers, leveraging the combination of physical branch and online.

We expect cost reduction of JPY 26 bn, which is higher than the previous Medium-Term Management Plan by converting branches into smart branches and sharing ATMs with MUFG.

In addition, we reduced 2,600 clerical staff, which accounts for 40% of the group-based reduction plan.

We are reviewing our operational process under the support of customers. For example, we have increased the total number of ATMs customers can use while reducing them in overlapping areas. Digitalization initiatives are another example. We have been improving convenience of "SMBC Direct," our internet banking service to reduce administrative procedures at branches. Last year, we updated to 24/7 operation and improved UI/UX by in-house designers.

We are also restructuring our branch network, focusing on customer touchpoint.

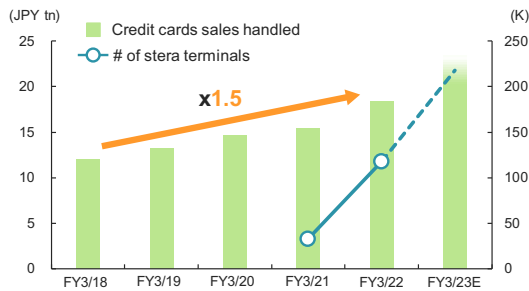
One of the examples is the reorganization of the Higashiyama area. We opened a new branch in the popular Hoshigaoka area and integrated Isha and Fujigaoka branches which were located in the surrounding area to capture customer needs efficiently.

We consider opening branches in commercial facilities to improve convenience and cover wider range of customers.

Hold the number one position in payment business - payment

Acquiring

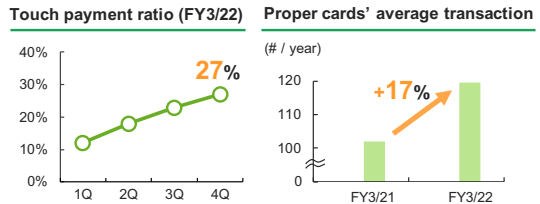
of stera terminals exceeded 100 K



Issuing

2 year increase in # of proper card users : x1.9 YoY increase in # of platinum and gold card users: x4.4

Penetration of touch payment increased card usage



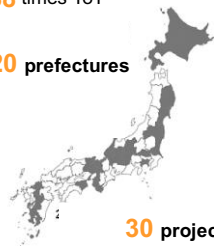
Next-generation payment platform "stera"

Increased VISA touch payment in public transportation

- # of transactions increased **38** times YoY



20 prefectures

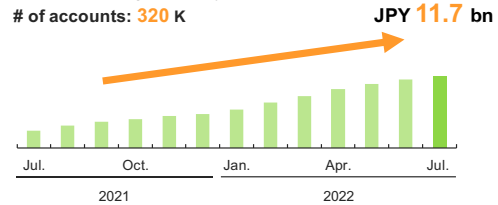


30 projects

Alliance with SBI Securities

"SMCC Installment Investment"

Total amount: JPY 11.7 bn
of accounts: 320 K



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For payment business, we are launching products which are highly evaluated by both merchants and end-users.

In acquiring business, credit card sales handled increased by 1.5 times compared to FY3/18 and the total number of stera terminal installations has exceeded 100 K. In addition, some large corporations have decided to introduce them in large scale of more than ten thousand units.

"Stera transit" is a solution for transportation using VISA Touch Payment. This is a payment service that allows customers to ride trains and buses with VISA credit or debit card. It has already expanded to 30 operators in 20 prefectures. It will be extremely convenient for inbound tourists because VISA is a payment method used in more than 500 cities. Low introduction and operation cost is the advantage for our clients.

In issuing business, we launched numberless card in February 2021 and added gold card to our lineup in July. This new card was highly evaluated and the number of new acquired members has doubled in the last two years.

Furthermore, as daily use of touch payments increased due to the pandemic, both the touch payment ratio and the average number of transaction are steadily increasing. We think that customers are taking our credit cards as first choice.

As to the alliance with SBI Securities, we launched installment investment product which SBI customers get V-points when investing with SMCC credit cards. We have acquired 320 K accounts in one year and a monthly reserve amount of JPY11.7 bn.

Hold the number one position in payment business - consumer finance

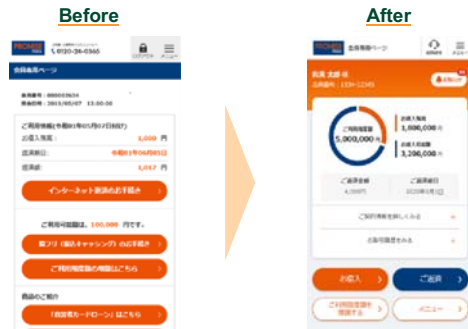
Reversal of card loan balance

- Balance reversed in 4Q FY3/22. 1Q FY22 increased at higher pace than pre-COVID

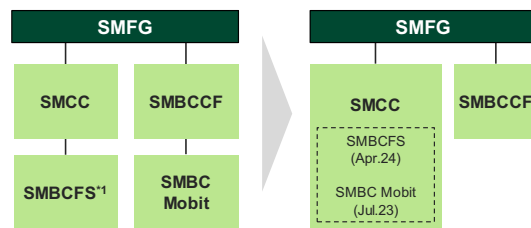


- SMBC**
 - # of new applications and contracts doubled compared to the pre-COVID level
 - SMBC Card Loan balance shows positive change for the first time in 6 years since 2016
- SMBC CF**
 - # of new contracts recovered to the pre-COVID level
 - Loan balance increased at twice the pace of pre-COVID
- SMBC Mobit**
 - # of new contracts is 110% of pre-COVID level
 - Loan balance recorded historical high

Full renewal of apps / web services (SMBCCF)



Reorganization of brands



*1 SMBC Finance Service

Although the consumer finance business faced significant damage from COVID-19, the loan balance has reversed from a downward trend.

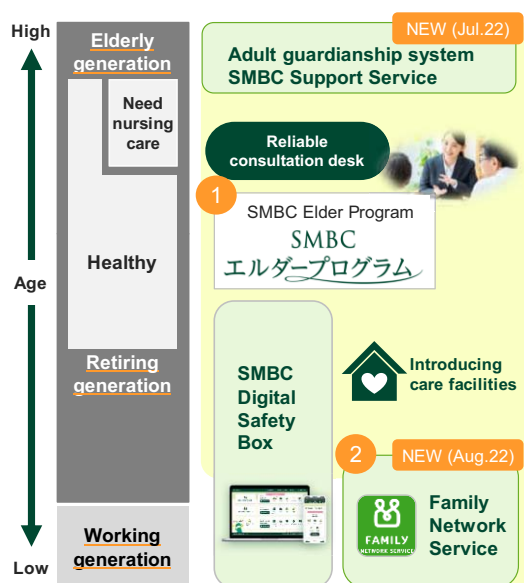
We expect that loan balance will increase further due to the increase of new contracts as economic activities recover. The number of new contracts in SMBC doubled and loan balance of SMBCCF increased at twice the speed than before COVID. Loan balance of SMBC Mobit recorded historical high.

SMBCCF has completely renewed the UI/UX of its app, which is highly evaluated by customers. We will continue to improve the app to make it more convenient.

In addition, we will enhance capability of our three card loan brands through reorganization.

Efforts toward the 100-year life era

Expand the life shift business



1 Proposal of services from dedicated concierge

Support a more secure and affluent life at home

Voice of customers

- "I appreciate this program for caring about my mother living alone." (male, 50s)
- "Thank you for supporting me when I was worried about my own inheritance." (female, 80s)

Deepening business

- Increased Elder Program clients' assets by **33%**
- New will trust: **2,000** / insurance sales exceeded JPY **45 bn**

2 Family watching service through apps



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Solving social issues in the 100-year life era is an important mission as a financial institution.

We first launched “SMBC Elder Program” in April 2021. This service solves elderly customers’ concerns and the concept is “to support a more secure and affluent life at home.” Dedicated trust-worthy concierges who are also financial professionals stay by the customers’ side.

This has been well received from customers and young people who care for their parents are also satisfied.

There are examples of gaining new contracts of will trust through concierges’ communication. We will continue to expand our services and resolve customers’ problems.

We also launched a new app, Family Network Service in August 2022. The theme of this service is to naturally link the family who care each other. This app allows users to share data on “money” and “health” that are sensitive topics to discuss.

As a megabank, we will continue to provide valuable services by addressing these social issues.

Global

Tetsuro Imaeda,
Senior Managing Executive Officer

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Progress of Medium-Term Management Plan

Financial target^{*1}

Net business profit	ROCET1	RWA
FY3/23	FY3/23	In 3 years
JPY 465 bn	9%	+ JPY 2.6 tn
Vs. FY3/20 + JPY 70 bn		Previous Plan + JPY 5.8 tn

KPI

	FY3/20	FY3/22	FY3/23 target ^{*1}	
CIB Business	ROFA ² of Non-Japanese clients in the U.S. and Europe	1.7%	2.1%	1.9%
	U.S. IG bonds underwriting shares	1.7%	1.6%	3.0% (#10)
Asia-Centric (JPY bn)	Profit from multi-franchise strategy targeting countries	98.5	100.9	113.3
	Deposit balance of digital banking in Asia	51.1	128.3	153.3
	Overseas transaction banking ^{*3}	53.9	67.4	61.9

FY3/2022 result

(JPY bn)	FY3/22	YoY ^{*4}
Gross profit	872.0	+72.4
Expenses	461.3	+42.8
(Overhead ratio)	52.9%	(0.6)%
Net business profit	431.2	+22.8
ROCET1 ^{*5}	6.9%	+1.0%
RWA (JPY tn)	40.9	+2.8

Key Initiatives

CIB business	<ul style="list-style-type: none"> Entered a strategic alliance with Jefferies Enhanced sponsor coverage by capturing opportunities of capital inflows to funds
Asia centric	<ul style="list-style-type: none"> Invested in Fullerton India, FE Credit and RCBC
Sustainability	<ul style="list-style-type: none"> Green finance: #1 in Global league table New investments and alliances: Carbonplace and Marathon Capital
Digital	<ul style="list-style-type: none"> Expand products / services of Jenius Prepare to launch a digital bank in the U.S.

^{*1} Managerial accounting basis of FY3/23 ^{*2} Return on Funded Asset = gross profit / (asset + commitment line)

^{*3} After adjustments of the changes in interest rates (managerial accounting basis) ^{*4} After adjustments of the changes in interest rates and exchange rates ^{*5} Excluding impact from mid-long-term funding costs

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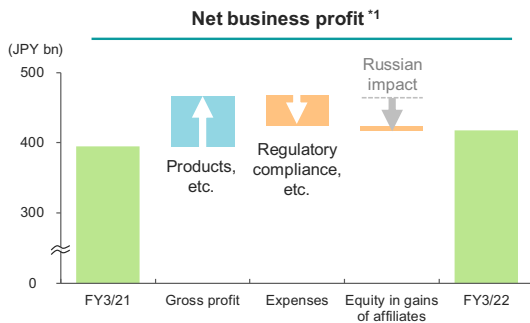
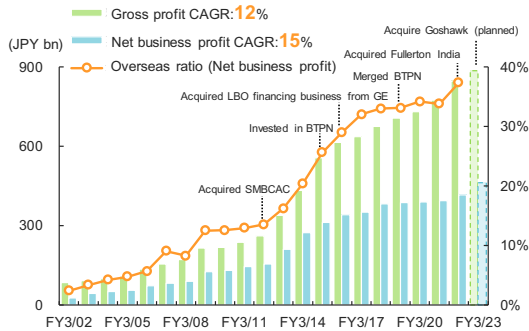
We are working to achieve the financial targets of the plan while the business environment remains uncertain, including interest rate hike and rise of inflation in each country. All KPIs are making steady progress except the underwriting share of U.S. IG bonds.

In FY3/22, we maintained YoY increases in both gross profit and net business profit in despite the lockdowns and Russia's invasion to Ukraine. This was mainly due to the success of our fund-related businesses which captured the good market condition.

We established the foundations to grow sustainably by entering a strategic alliance with Jefferies and investing in several financial institutions under the multi-franchise strategy in Asia. We have also made steady progress in other areas such as the digital retail banking business in the U.S.

Pursue growth and improve profitability

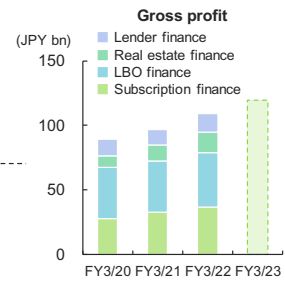
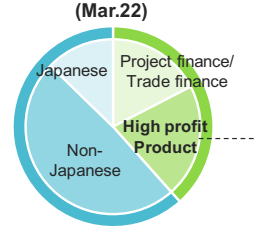
Long-term results



*1 Exchange rate is converted to FY3/23 planned rate

Portfolio management

Asset portfolio of SMBC (Mar.22)



Investment for future growth

Fullerton India

- Major non-bank covering all areas of India
- Broad product lineup and well-balanced loan portfolio

Investment : USD 2.0 bn
 Voting rights : 74.9%

Goshawk

- Aircraft leasing company in Ireland
- Highly efficient portfolio focusing on narrowbody

After acquisition
 SMBCAC #2 in the industry

Investment : USD 1.5 bn
 Voting rights : 100%

Both gross profit and net business profit have been consistently increasing since the establishment of SMBC in 2001. Net business profit of the Global Business Unit became the largest among all Business Units in this 1Q. We will continue to focus on both growth and profitability as a growth driver of the Group.

Net business profit has increased in FY3/22 mainly by capturing the inflows into funds and increasing profit from high profit products, while offsetting increase of regulation costs in the U.S. and the Russian impact of SMBCAC.

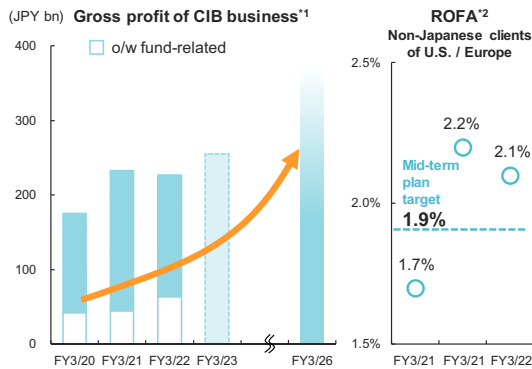
We are managing portfolio with a focus on profitability by investing in high profit products such as subscription finance and LBO finance considering market conditions.

Under our investment strategy for future growth, we consolidated Fullerton India, a major non-bank in India to capture the growth of the local market.

SMBCAC will become No. 2 aircraft leasing company in the world with the acquisition of Goshawk. We will capture the recovery and growth in passenger demand by leveraging economies of scale.

Enhance CIB business

Enhance overseas CIB business



- Achievements**
 - Funds: captured robust demand with high-profit products
 - Corporate: improved profitability through cross-selling
 - S&T: enhanced risk-taking capability
- Measures**
 - Funds: review portfolio based on market conditions and enhance credit capability
 - Corporate: further strengthen sector approach and regional collaboration
 - S&T: launch Rates businesses, integrate operation of securities/derivatives

Collaboration with Jefferies

- Steady progress in collaboration with Jefferies
- Expand business collaboration area

1 Sub-IG
6 LBO deals closed

2 Cross-border M&A
3 Healthcare
Identifying targets / strengthening approaches

Sustainable business

Green finance^{*3}

Green deposit 1st in Japan for corporates

FY3/22
USD 528 mn

Alliance and investment to enhance solution-providing capability

MARATHON CAPITAL

U.S. investment bank with strengths in ESG advisory

carbonplace

Platform for international settlement of carbon credit transactions

*1 Managerial accounting basis. Sum of profit from non-Japanese clients in the U.S. and Europe, overseas securities and fund-related revenues, etc.

*2 Return on Funded Asset = gross profit / (asset + commitment line) *3 Dealogic league table

We are strengthening our overseas securities business, particularly in the U.S. Gross profit has increased from FY3/20 by expanding the securities business and capturing fund-related transactions. ROFA has already exceeded the 1.9% target of the Medium-Term Management Plan.

We grew our fund-related business with high profit products by capturing the expanding inflows into funds due to central banks' liquidity provision in each country. We are enhancing cross-sell in the securities business and other areas for corporates, while increasing capital to SMBC Nikko Securities America for further risk-taking in Sales and Trading (S&T).

We will select profitable transactions for fund-related business while reviewing portfolio and sophisticating credit system amid changes in the market environment. For corporates, we will enhance securities products and strengthen sector approaches and cross-regional collaboration since we couldn't capture as much growth in the market as competitors. We will develop a S&T system to capture diverse opportunities through the start of rates business and the integrated operation of securities and derivatives.

There are three business areas, where we have been pursuing collaborations with Jefferies. Several LBO transactions have been closed in sub-IG segment, where continuous growth is expected. With respect to cross-border M&A and healthcare sectors, mutual client referral and aligning target clientes are almost concluded. Transactions that we collaborate on are expected in the near future.

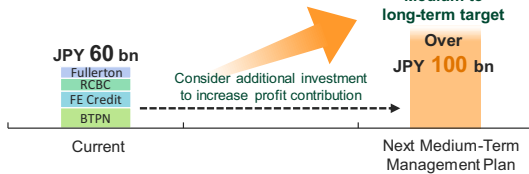
For sustainable business, the specialized teams in each region collaborate globally. We have gained a high presence especially in green loans and ranked first in the global league table in terms of amount. We also started green deposit ahead of other Japanese banks and obtained USD 528 mn in FY3/22. We will support energy transition of clients through alliance with Marathon Capital by utilizing their knowledge and investor access. We also joined Carbonplace as a founding member, which is a global carbon credit transaction network.

Capture the market growth in Asia

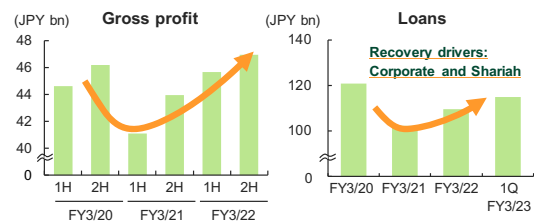
Multi-franchise expansion in Asia

Multi-franchise target countries	Market size			Customer segment	
	GDP growth rate ^{*1}	Working-age population ^{*2}		Corporates	Individuals
		# of people (bn)	Rank		
India	7.7%	1.0	#1	Fullerton India (74.9%)	
Indonesia	5.3%	0.2	#4	SMBC, btpn, OYO	
The Philippines	6.6%	0.08	#12	SMBC, RCBC (4.99%)	
Vietnam	6.8%	0.07	#15	VPBank, FE CREDIT (49%)	

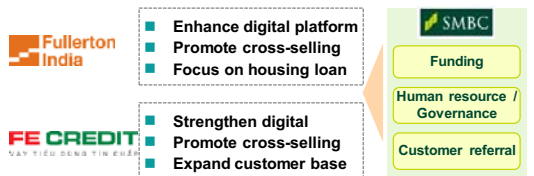
Net profit of investees^{*4}



Indonesia: recover from lockdowns



India / Vietnam: strengthen business base



Enhance asset management business



*1 IMF: GDP growth rate 2021-2026 average *2 World Bank: Working-age population forecast (2027)
 *3 Business alliance partner *4 100% basis. Calculated based on past results excluding the impact of Covid-19
 *5 Acquisition of ARA Asset Management by ESR completed in Jan.22

India, Indonesia, the Philippines, and Vietnam are our Asia multi-franchise target countries considering their high growth potential. We aim to capture medium- to long-term growth of these countries by establishing a full-line business platform that extends from individuals to corporates both organically and inorganically.

We believe that each investee has significant growth potential and also consider capturing more profits through additional investments.

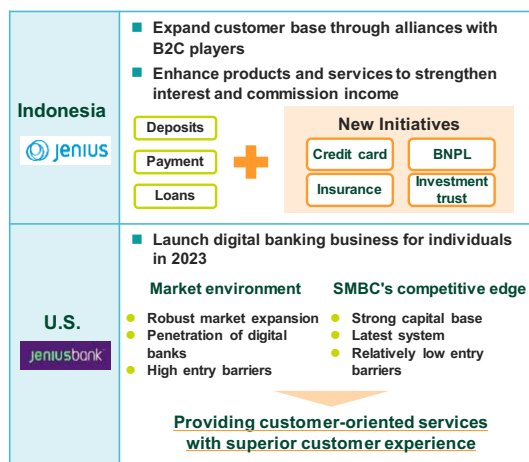
BTPN has gradually recovered from COVID-19 in FY3/22 as the country's economic activities reopened and will return to its pre-COVID level in this fiscal year. The loan balance of corporates and BTPN Shariah is increasing which drove the turnaround in the performance.

Fullerton India, a major non-bank in India was consolidated and FE Credit, the largest consumer finance company in Vietnam became our equity-method affiliate. We are working to create synergies as a group by strengthening the business base of investees through financial support and customer referral.

In the asset management business, we have established a collaboration framework with our investee, ESR Group. We are developing real estate investment business in Asia through the collaboration among SMFL, Kenedix, and ESR Group and closed a complex office project in Singapore in January 2022. We will further strengthen our asset management business through these developments.

New digital initiatives / enhance management base

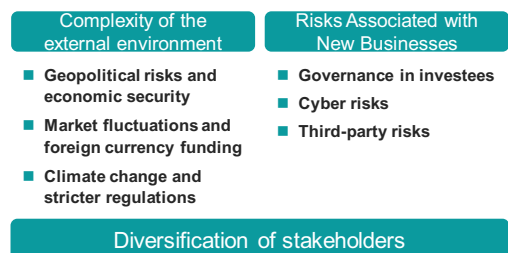
Create new businesses through digital



Sharing and utilizing knowledge

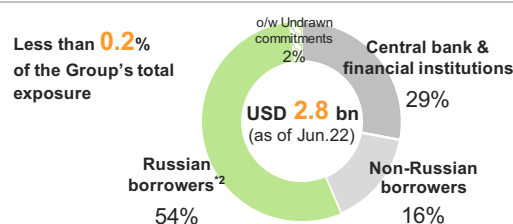


Enhance management base



Sophisticate framework for risk management on a group-wide and global basis

(Ref.) Banking exposure*1 to Russia



*1 Managerial accounting basis. Loans, commitment lines, guarantee transactions, investments, etc. of SMBC and local subsidiaries calculated based on ultimate risk countries *2 Including project finance and ship finance

We are working on expanding customer base of BTPN's digital banking service "Jenius" through alliance with external B2C companies. We are also focusing on increasing revenues by expanding the range of products and services.

We will launch a digital bank named "Jenius bank" as a new unit of Manufacturers Bank and enter the steadily expanding U.S. retail market in 2023. We will utilize the existing banking license of Manufacturers Bank that is difficult to obtain for new entrants. Management team with abundant experience of digital banking and FinTech is committed to the service. We will deliver customer-oriented services with superior customer experience with the strong capital of SMBC Group, cutting-edge core systems, and a flexible strategy without legacy assets such as branch network.

We are also developing digital strategies in each investee in Asia. Fullerton India focuses on expanding client base through alliance with FinTech companies. FE Credit launched a digital bank with license of the parent company, VP Bank, and aims to be a financial provider aligned with customers' lifestyles. RCBC works on digitalization of its branches and financial inclusion through its digital bank. We will expand digital business by sharing knowledge and creating synergies with investees.

We are also strengthening our management base as a top priority to support the sustainable growth of our overseas businesses. The importance of investees' governance is increasing, and various risks are also arising due to the expansion of business areas, in addition to increasing complexity in external environments such as geopolitical risks, market fluctuations, and climate change. We are also sophisticating our group-wide and global management framework of overseas business as stakeholders are diversifying.

SMBC Group's exposure to Russia has gradually declined to USD 2.8 bn which is only less than 0.2% of the Group's total exposure and exposure to Russian companies is only half of that. We continue to monitor the impact on our financial result.

Global Markets

Masamichi Koike,
Senior Managing Executive Officer

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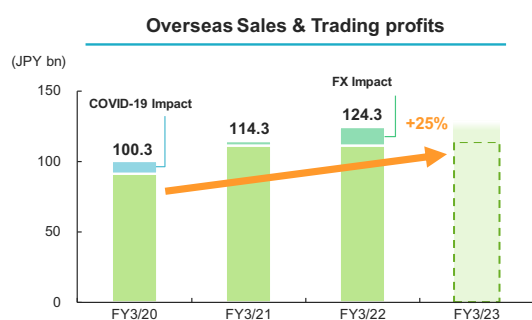


Progress of Medium-Term Management Plan

Financial target^{*1}

Net business profit	ROCET1	RWA
FY3/23	FY3/23	in 3 years
JPY 355 bn	17%	+ JPY 1.5 tn
Vs. FY3/20 JPY (35) bn		Previous Plan JPY (1.5) tn

KPI



FY3/2022 result

(JPY bn)	FY3/22	YoY ^{*2}
Gross profit	390.6	(71.2)
Expenses	92.3	+5.2
(Overhead ratio)	23.6%	(4.8)%
Net business profit	338.1	(72.3)
ROCET1 ^{*3}	15.5%	(3.4)%
RWA (JPY tn)	5.8	(0.5)

Key initiatives

Portfolio management	<ul style="list-style-type: none"> Accumulate profits by flexible rebalance
Sales & Trading	<ul style="list-style-type: none"> Provide solutions that meet clients' needs Establish a structure toward full-scale promotion of secondary business
Foreign currency funding	<ul style="list-style-type: none"> Minimize funding cost while maintaining stable balance sheet Strengthen global collaboration in response to changes in the funding environment

^{*1} Managerial accounting basis of FY3/23

^{*2} After adjustments of the changes in interest rates and exchange rates

^{*3} Including impact from the interest-rate risk associated to the banking account

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The market condition in FY3/23 is expected to remain very uncertain and challenging due to deglobalization and rapid monetary tightening of central banks. Accordingly, our target of net business profit for FY3/23 is JPY 355 bn, which is JPY 35 bn lower than FY3/20.

We were able to accumulate profit in FY3/22 through nimble portfolio management while controlling the risk of the whole portfolio despite the dramatic change of market environment in 2H.

S&T business of SMBC also contributed to our profit by providing appropriate solutions in response to customer needs under the very volatile market, leveraging our trading capability which is SMBC Group's strength.

As explained in the IR Day of last year, the growth potential for our S&T business lies in the overseas market and we aim to increase overseas S&T profit by 25% over the three years period. We increased its profit in FY3/21 and FY3/22 solidly, but part of them were driven by the extraordinary environment, COVID-19 and volatile FX rate respectively and we are still behind our competitors. I believe that there is still significant potential for growth in our overseas S&T business and we are steadily establishing a structure to especially promote secondary business.

We will aim to achieve the financial target in FY3/23 by both enhancing the capability of SMBC Group and integrating the abilities of the Global Markets Business Unit, taking into account the recent financial/economic and political environment.

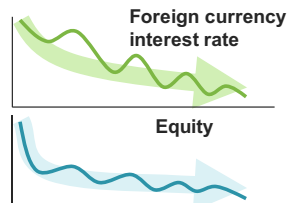
Portfolio management

Demonstrating "trading strength"

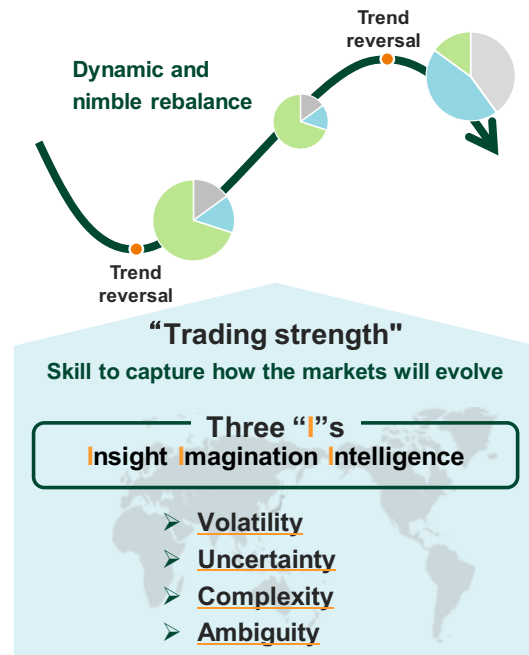


Risk volume from Sep.21

Arrow: trend
Wave line: risk volume



Dynamic and nimble portfolio rebalance



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FY3/22 can be divided into two phases. The first half is the recovery phase of the global economy with monetary easing and fiscal spending maintained to realize a high-pressure economy. The inflation here had been driven by demand. The second half is the phase where pressure for inflation rose due to prolonged COVID-19, economic security, etc. The market volatility rose dramatically because of the monetary policies that responded to the worse-than-expected inflation and the geopolitical risk of the Russia-Ukraine conflict.

In the first phase, we accumulated profit by increasing the risk volume of equity, as we expected the share price would stay high. We controlled the risk volume of foreign currency interest rate at a low level and accumulated carry income since we believed that foreign currency interest rate will shift to a rising trend again although it was declining at that time.

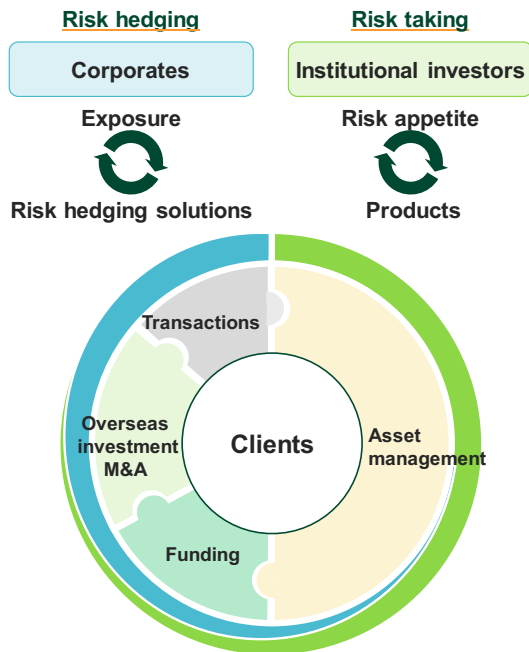
On the other hand, we thought the second phase would be the time for each country to normalize their monetary policy and the liquidity driven market that supported the share price increase was highly likely to end. As we anticipated that our portfolio management would be very difficult, we reduced the risk volume of both equity and foreign currency interest rate.

These operations were conducted under our global macro economic approach, which is the strength of our portfolio management: foreseeing the market by assessing the monetary policies and political movements in each country, capturing the trend, and rebalancing the portfolio dynamically. The most essential skill is to capture how the markets will evolve, which is our DNA. With the three "I"s, each member of the Global Markets Business Unit gathers and analyzes information, discusses various events that occur every day, makes market position and reviews its result.

It is difficult to foresee the turning point of major trends in a VUCA era, where a variety of risk factors are arising. Therefore, we intend to focus on operation based on short-term view, waiting for large trend reversals.

Sales & Trading

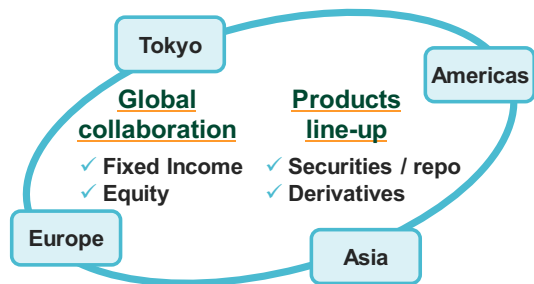
Enhance solution-providing capability



Make proposals to meet clients' issues



Pursue growth in secondary businesses



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In the S&T business, we will enhance solution providing capability for clients by leveraging our market expertise.

We can divide various needs of our clients into two categories; one is "risk-hedging needs" and the other is "risk-taking needs."

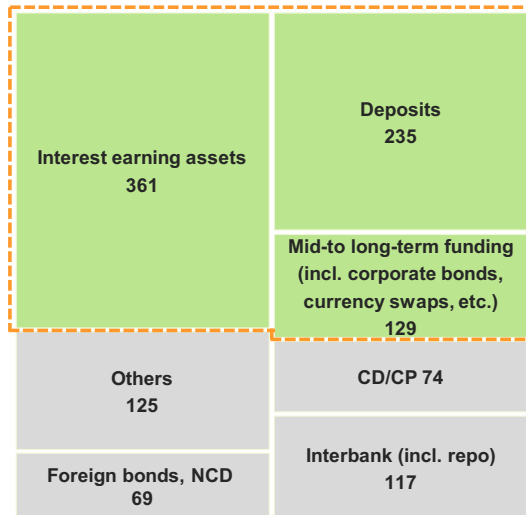
The former is to cope with market risks that corporate clients mainly face. Some multinational companies may not clearly recognize fund flows or risks of FX and interest rate because they do not centrally manage funding and profit utilized in each office. In this case, we visualize these risks and provide appropriate risk hedging solutions to solve clients' issues by analyzing and utilizing various data. We will create competitive advantages and realize profit in these processes.

The latter is solution needs that arise when investors consider their investment strategy. We are enhancing securities business of SMBC Group by strengthening its global collaboration and pursuing the growth of product sales tailored to investors' needs especially in the secondary market. Specifically, we intend to establish a structure to promote FIST in the U.S., where opportunity to collaborate with primary business is large, while expanding business base in Asia. We will develop our business by leveraging our strength as a Japanese / Asian securities company.

Foreign currency funding

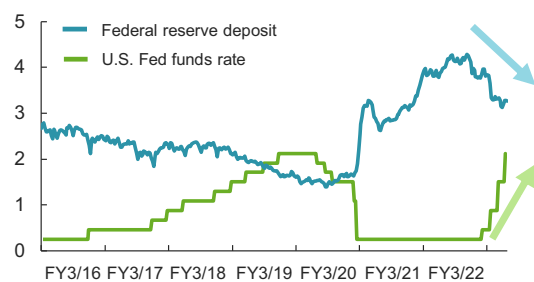
Maintain stable foreign currency B/S

Foreign currency balance sheet as of Mar.22
(USD bn)

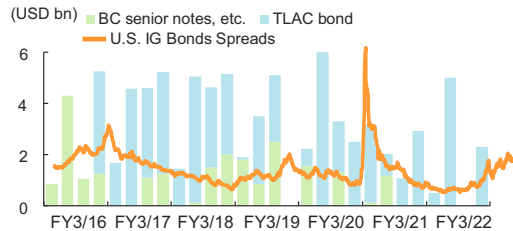


Strategic funding

(USD tn) U.S. financial markets



(USD bn) Corporate bond issuance



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As to foreign currency funding, it is very important to strike a right balance between stability and cost efficiency in order to sustainably support clients' businesses.

Loans are covered with stable fundings: medium-to long-term funding and deposits from clients. We have a solid funding base by diversifying our funding source and expanding investor base continuously.

However, funding environment is changing from time to time and credit spread is currently widening as Fed changed their stance on monetary policy. We will pursue more stable and flexible balance sheet management while foreseeing future events from a long-term perspective.

Our vision in the current Medium-Term Management Plan is to provide high added value to clients and SMBC Group as a professional of market risk. I believe we are getting closer to this vision but the market environment may change faster and clients interests are becoming more diverse.

We are committed to achieving our financial target in FY3/23, but I think we should do more than only achieving the target.

Doing business in the market is tough because we always have to proactively evolve ourselves to adapt to the changing environment.

We will continue to contribute to the growth of both clients and SMBC Group, by assessing future events and providing the best solutions even under an adverse environment.

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," "believe," "estimate," "expect," "intend," "may," "plan," "probability," "risk," "project," "should," "seek," "target," "will" 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; incurrence of significant credit-related costs; our ability to successfully implement our business strategy through our subsidiaries, affiliates and alliance partners; and exposure to new risks as we expand the scope of our business. 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 our earnings press releases, for a more detailed description of the risks and uncertainties that may affect our financial conditions and our operating results, and investors' decisions.

Exchange rates (TTM)

	Mar. 21	Mar. 22
USD	110.71	122.41
EUR	129.75	136.81

Definitions

SMFG	Sumitomo Mitsui Financial Group, Inc.
SMBC	Sumitomo Mitsui Banking Corporation
SMBC Trust	SMBC Trust Bank
SMFL	Sumitomo Mitsui Finance and Leasing
SMBC Nikko	SMBC Nikko Securities
SMCC	Sumitomo Mitsui Card Company
SMBCCF	SMBC Consumer Finance
SMDAM	Sumitomo Mitsui DS Asset Management
SMBCAC	SMBC Aviation Capital
Major local subsidiaries	SMBC Bank International, SMBC Bank EU, SMBC (China)
Consolidated	SMFG consolidated
Non-consolidated	SMBC non-consolidated
Expenses (non-consolidated)	Excluding non-recurring losses
Net business profit	Before provision for general reserve for possible loan losses
Retail Business Unit (RT)	Domestic retail business
Wholesale Business Unit (WS)	Domestic wholesale business
Global Business Unit (GB)	International business
Global Markets Business Unit (GM)	Market / Treasury related businesses