

Sumitomo Mitsui Financial Group, Inc.
Sumitomo Corporation
Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Finance and Leasing Company, Limited
Sumitomo Mitsui Auto Service Company, Limited
SMBC Aviation Capital Limited
SMFL Capital Co., Ltd.

Sumitomo Mitsui Financial Group, Inc. and Sumitomo Corporation Enter into a Basic Agreement Concerning the Reorganization of the Joint Leasing Partnership

Tokyo, November 6, 2017 -- Sumitomo Mitsui Financial Group, Inc. (“SMFG”, Head Office: Chiyoda-ku, Tokyo; President and Group CEO: Takeshi Kunibe) and Sumitomo Corporation (“Sumitomo Corp”, Head Office: Chuo-ku, Tokyo; President and CEO: Kuniharu Nakamura) today entered into a basic agreement (the “Basic Agreement”) concerning the reorganization of their joint leasing partnership (the “Reorganization”) and a capital injection of a maximum USD 1 billion into SMBC Aviation Capital Limited (Head Office: Dublin, Ireland; CEO: Peter Barrett) and SMBC Aviation Capital (UK) Limited (Head Office: London; CEO: Peter Barrett) (jointly referred to as “SMBC Aviation Capital”) underwritten by Sumitomo Mitsui Banking Corporation (“SMBC”, Head Office: Chiyoda-ku, Tokyo; President and CEO: Makoto Takashima) and Sumitomo Mitsui Finance and Leasing Company, Limited (“SMFL”, Head Office: Chiyoda-ku, Tokyo; President: Masaki Tachibana) as described below, subject to the approval of foreign and domestic relevant authorities.

SMFG, Sumitomo Corp, and other concerned parties will engage in future deliberations concerning the reorganization’s specific details.

1. Background and Purpose of the Reorganization

SMFG and Sumitomo Corp have entered into the Basic Agreement to undertake the reorganization for the purposes of realizing both a material increase in the competitiveness and the sustainable growth of their strategic joint leasing partnership which is comprised of general leasing, auto leasing, and aircraft leasing

businesses. This will be achieved by taking further advantage of SMFG's global client base, and the financial group's ability to deliver diverse and cutting-edge financial solutions regardless of geographical location, and Sumitomo Corp's ability to construct value chains and create new business opportunities on a global basis. The purpose of the reorganization is to establish an operating framework that will allow for the flexible and efficient management of the joint leasing partnership's overall operations and implementation of its business strategies. Specifically, SMFG and Sumitomo Corp will adjust their respective ownership percentages in SMFL to 50%, and transform SMFL into the platform for the strategic joint leasing partnership. Furthermore, SMFL will increase its ownership percentage in SMBC Aviation Capital, while making a capital investment in Sumitomo Mitsui Auto Service Company, Limited (SMAS, Head Office: Shinjuku-ku, Tokyo; President & CEO: Akira Tsuyuguchi). Additionally, SMFL Capital Co., Ltd. ("FLC", Head Office: Minato-ku, Tokyo; President and CEO: Atsushi Kuroda) will merge into SMFL as part of the reorganization.

The following undertakings will be enhanced through the reorganization.

- By adjusting their respective ownership ratios in SMFL to 50%, SMFG and Sumitomo Corp will further enhance the business partnership framework and engage in the full-scale undertaking of new business initiatives. Examples of such initiatives are the entry into business sectors which are expected to experience future growth, such as eco-business, infrastructure, and healthcare; the expansion of asset-based finance operations; and the creation of value chains with the aim of enhancing businesses targeting clients' commercial channels.
- By increasing SMFL's ownership ratio in SMBC Aviation Capital and converting SMAS into an equity method affiliate of SMFL, collaborations between companies will be enhanced, allowing for the pursuit of further synergies through the promotion of cross-selling and the sharing of management infrastructure.
- SMFL, by merging FLC into itself, will take in FLC's top tier client base and human resources, allowing SMFL to increase the added value it offers in its domestic marketing activities. Furthermore, as part of efforts to pursue further

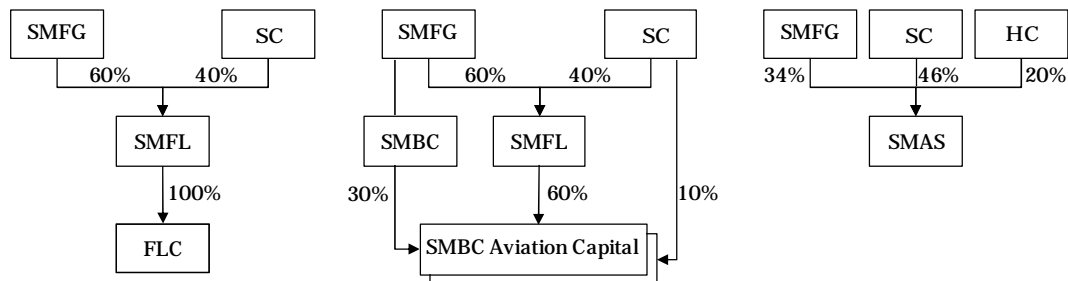
growth through this initiative, considerations will be given to the spinning-off of FLC's fleet operations (auto leasing business) to become part of SMAS.

Together with the Reorganization, SMFL and SMBC will undertake a capital injection of a maximum USD 1 billion into SMBC Aviation Capital to strengthen the capital structure and pursue sustainable growth and development.

2. Outline of the Reorganization

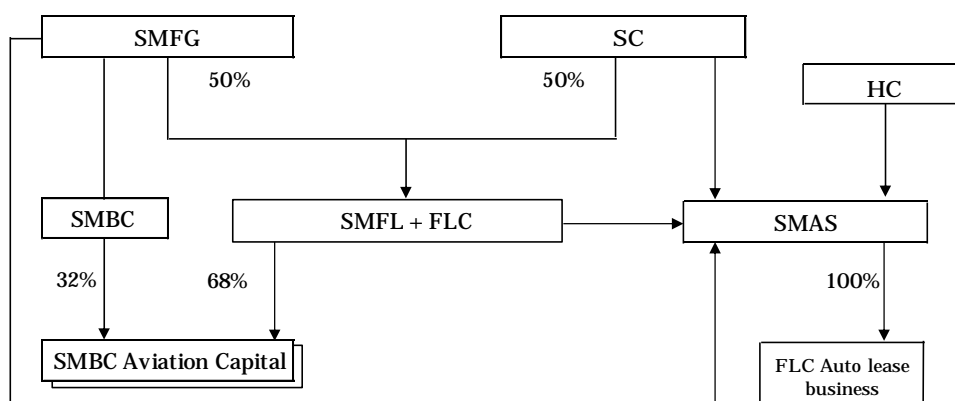
The respective ownership ratios of SMFG and Sumitomo Corp in SMFL will be adjusted to 50%, and the subject leasing firms (SMBC Aviation Capital, SMAS, and FLC) will be reorganized with SMFL acting as the platform. The outline of the reorganization is illustrated in below. The concerned parties will engage in discussions regarding the specific methodologies to be applied in the reorganization. Furthermore, as a result of the reorganization, SMFL will cease to be a consolidated subsidiary of SMFG and become an equity method affiliate of the company.

(1) Current Framework



SC : Sumitomo Corp , HC : Hitachi Capital Corporation

(2) Revised Framework



Concerned parties will engage in discussions concerning their respective ownership ratios in SMAS. The basic policy of the discussions is for Sumitomo Corp to remain the largest shareholder in SMAS while making the company an equity method affiliate of Sumitomo Corp, SMFL, SMFG, and Hitachi Capital Corporation.

3. Tentative Timetable

November 6, 2017 (today)	Signing of the basic agreement
January – March 2018	Signing of the final contract
From April 2018	Review by the anti-trust authorities of the countries concerned
January – March 2019	Completion of the Reorganization

The above schedule is subject to change based on the progress made in regards to the filing of required notifications with and obtaining approval from the relevant regulatory authorities and the anti-trust authorities of the countries concerned, any other necessary preparations, or any other reasons.

4. Summary of Companies Involved

(As of March 31, 2017)

(1) Company Name	Sumitomo Mitsui Finance and Leasing Company, Limited
(2) Head Office Address	1-3-2, Marunouchi, Chiyoda-ku, Tokyo
(3) Name and Title of Representative	Masaki Tachibana, President
(4) Establishment	January 1948
(5) Business Activities	General Leasing
(6) Consolidated Net Assets (JPY Million)	779,319
(7) Consolidated Total Assets (JPY Million)	5,601,650
(8) Consolidated Revenues (JPY Million)	1,420,430
(9) Number of Employees	3,492

(1) Company Name	Sumitomo Mitsui Auto Service Company, Limited
(2) Head Office Address	3-20-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo
(3) Name and Title of Representative	Akira Tsuyuguchi, President & CEO
(4) Establishment	February 1981
(5) Business Activities	Auto Leasing and Related Businesses
(6) Net Assets (JPY Million)	98,009
(7) Total Assets (JPY Million)	621,623
(8) Revenues (JPY Million)	235,029
(9) Number of Employees	1,467

(1) Company Name	SMBC Aviation Capital Limited
(2) Head Office Address	IFSC House, IFSC, Dublin 1, Ireland
(3) Name and Title of Representative	Peter Barrett, CEO
(4) Establishment	August 1997
(5) Business Activities	Aircraft Leasing
(6) Consolidated Net Assets (USD Million)	1,786
(7) Consolidated Total Assets (USD Million)	10,637
(8) Consolidated Revenues (USD Million)	1,091
(9) Number of Employees	158

(1) Company Name	SMFL Capital Co., Ltd.
(2) Head Office Address	5-2-20 Akasaka, Minato-ku, Tokyo
(3) Name and Title of Representative	Atsushi Kuroda, President and CEO
(4) Establishment	September 1999
(5) Business Activities	General Leasing
(6) Net Assets (JPY Million)	123,515
(7) Total Assets (JPY Million)	603,075
(8) Revenues (JPY Million)	287,058
(9) Number of Employees	1,109