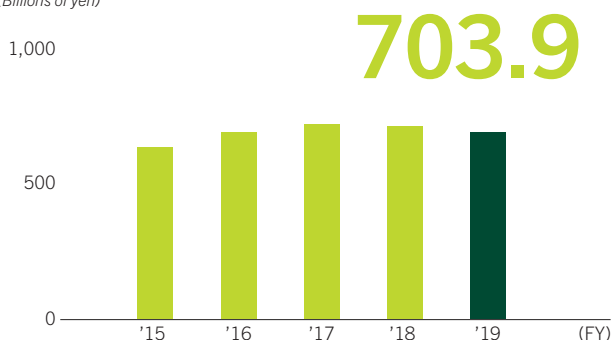


Financial Highlights

Profit attributable to owners of parent

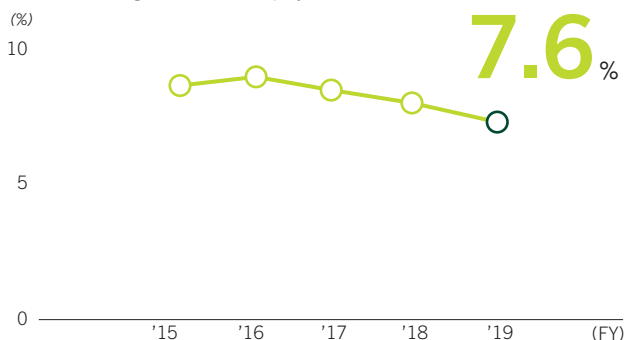
(Billions of yen)



Profit attributable to owners of parent exceeded the target of ¥700 billion in FY2019 despite the negative impact of COVID-19 pandemic. This was mainly due to the increase in gains on sales of bonds with the decline of overseas interest rates, low credit costs that continued until the third quarter of the fiscal year under review, and a reduction in tax burden.

Return on equity (ROE)

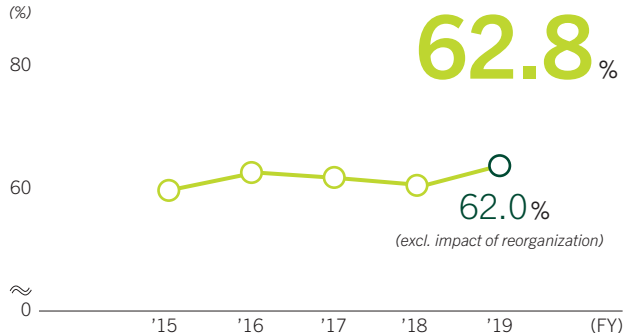
Calculated using stockholders' equity as the denominator



We were able to reach our Medium-Term Management Plan target for ROE of 7-8% due to the steady progress of the plan, which led to higher-than-expected profit attributable to owners of parent.

Overhead ratio (OHR)

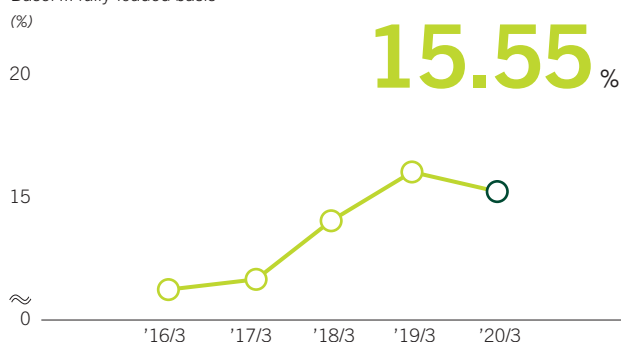
(%)



OHR remained nearly flat compared with FY2016 after excluding the impacts of group reorganizations. This was mainly due to continued overseas expenditures including regulatory compliance costs, offsetting cost reduction through group-wide cost control initiatives.

Common Equity Tier 1 capital ratio (CET1 ratio)

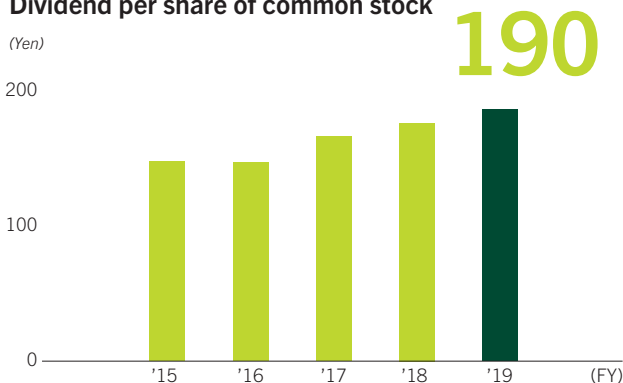
Basel III fully-loaded basis



CET1 ratio is still greatly exceeding the required level, while it decreased YoY by 0.82%. This decrease was mainly due to an increase in risk-weighted asset through allocating capital in overseas business and providing financial support to customers, as well as a decrease in net unrealized gains on other securities as a result of stock price decline caused by COVID-19 pandemic.

Dividend per share of common stock

(Yen)



We increased dividend per share for FY2019 to ¥190, ¥10 higher than FY2018 and our initial forecast as we exceeded our target for profit attributable to owners of parent because of the steady progress in the Medium-Term Management Plan and took steps towards achieving a dividend payout ratio of 40%.

Credit ratings (As of June 30, 2020)

	Holding company		SMBC	
	Long-term	Short-term	Long-term	Short-term
Moody's	A1	P-1	A1	P-1
S&P	A-	—	A	A-1
Fitch	A	F1	A	F1
R&I	A+	—	AA-	a-1+
JCR	AA-	—	AA	J-1+