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Strategies of Business Units

Wholesale Business Unit

For clients' advanced management challenges, the SMBC Group as a whole provides a wide range of solutions related to fundraising, management, settlement, and more. By solving management issues, we will contribute to Japan's regrowth and aim for sustainable growth together with our clients.

Wholesale Business Unit results

	FY2024	YoY*
Gross profit	¥931.3 billion	+¥105.4 billion
Expenses	¥328.1 billion	+¥21.5 billion
Base expenses	¥299.0 billion	+¥9.4 billion
Net business profit	¥729.2 billion	+¥95.0 billion
Net income	¥801.6 billion	+¥203.6 billion
ROCE1	21.2%	+5.3%
Risk-weighted Assets (RWA)	¥35.3 trillion	+¥0.4 trillion

* After adjustments for exchange rate impacts, etc.

Key strategies

Strengthening and creating group edge through enhanced expertise

Building a new sales structure fully utilizing digital technology

Building a high-ROE business portfolio by anticipating changes

Domestic corporate clients' management issues are becoming increasingly complex. The Wholesale Business Unit provides high-quality services leveraging the Group's comprehensive strengths to address the diverse issues and needs of such clients.

In FY2024, by responding to changes in the interest rate environment, both the balance and profit of deposits and loans increased. We also responded accurately to active corporate actions, achieved results in business lines such as PE fund and real estate, and posted profits exceeding our initial plan.

Currently, various changes are becoming apparent, including the imposition of reciprocal tariffs in the U.S. As these may affect the business flows of domestic corporations, we will respond to our clients with even greater care.

Furthermore, for sustainable growth as a financial institution, we aim to strengthen existing businesses and establish new growth drivers. Here are some of our initiatives in this regard.

The first is strengthening the solution provision system for large and mid-sized companies. For large companies with high needs for direct finance and M&A, speedy solutions through collaboration between banking and secu-

rities are required. To respond quickly to such needs, we have significantly expanded the dual-role system between Sumitomo Mitsui Banking Corporation's front office and SMBC Nikko Securities, enhancing our responsiveness. We will continue to collaborate with Jefferies to consistently meet global needs both domestically and internationally. For mid-sized companies pursuing further growth strategies, in light of the end of transitional measures at the Tokyo Stock Exchange and the new TOPIX management, we provide appropriate solutions mainly through specialized departments of Sumitomo Mitsui Banking Corporation and SMBC Nikko Securities.

The second is the creation of new business models for small and medium-sized enterprises. With advances in digital technology and the entry of players from other industries, the environment for financial services in the corporate sector continues to change. In this context, we released the digital comprehensive financial service "Trunk" in May 2025 as a core service to solve the management issues faced by SMEs, support business growth, and aim to acquire transaction deposits that tend to remain on deposit over time. We will provide this service to a wide range of businesses and support Japan's regrowth.

C O L U M N

Digital Comprehensive Financial Service for Corporates "Trunk"

Good For Your Company's Days.



"Trunk" is a digital comprehensive financial service for corporate clients, centered on online accounts and business cards, offering money-related services in an integrated manner such as streamlining accounting operations, visualizing funds, and supporting cash management. In addition to enabling account opening as soon as the next business day after online application, we offer industry-lowest fees for transfers and other services via internet banking, achieving both convenience and cost performance.

Moreover, "Trunk" is designed not only to expand conventional functions for accounts and settlements, but also to provide a variety of features, emphasizing the ability to use them quickly and remotely at any time. Based on the know-how cultivated with the comprehensive financial service "Olive" for individuals, Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Card Company will work closely together to provide new digital services.

Growing Together with Customers and Contributing to Japan's Regrowth

Group collaboration as seen in the
KIOXIA HD project

Taki (SMBC Corporate Research Dept.)

I am in charge of analyst work where I check the credit of businesses seeking large loans, and in recent years I have felt an increase in consultations regarding large MBOs and M&As as corporate actions have become more active. I believe this is due to the spread of the Corporate Governance Code and the review of market segments at the Tokyo Stock Exchange, which have prompted corporate management strategies to shift more toward emphasizing shareholders and corporate value.

Ichikawa (SMBC Tokyo Corporate Banking Dept.2)

Recognizing such changes, SMBC Group is making various proposals to support customers'



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Yusuke Taki

Sumitomo Mitsui Banking Corporation (SMBC)
Corporate Research Dept.
Deputy General Manager

Chikara Shimoda

SMFL Mirai Partners
Electronic Device Equipment Department
General Manager



Introduction	Management Messages	Value Creation Story	Create Social Value / Pursue Economic Value	Rebuild Corporate Infrastructure
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corporate actions. I am in charge of major companies in the semiconductor industry, and in September 2024, KIOXIA Holdings (hereafter, KIOXIA HD) and a syndicate of banks including SMBC concluded a credit line agreement using a new finance scheme targeting semiconductor manufacturing equipment, etc.

Mori (SMBC Strategic Corporate Banking Dept.)

KIOXIA HD is aiming to list on the Tokyo Stock Exchange and needed to present a financial strategy to investors, including refinancing existing borrowings and raising funds for growth strategies. In the process of considering support for such fundraising, we faced a situation where, because the company was receiving government subsidies for the semiconductor industry, the transfer of ownership of subsidized equipment was restricted, making it impossible to apply a standard leasing contract. In response, we decided to build a new finance scheme focusing on the value of the equipment.

Matsukihira (SMBC Asset Finance Dept.)

In this financing, the method of valuing movable assets and the approach to management during the contract period were key issues. On this point, SMFL and SMFL Mirai Partners had expertise not available to banks, which was a major help in advancing the project. For management during the contract period, there was a problem in that periodic on-site visual inspections at the factory by bankers alone could not fully grasp the detailed status of the equipment. However, in this case, because a representative from SMFL Mirai Partners was stationed at the factory, it was possible to accurately understand the status of the equipment, enabling precise equipment evaluation and management during the contract period.

Shimoda (SMFL Mirai Partners)

SMFL Mirai Partners has long been engaged in the used trading of semiconductor manufacturing equipment, accumulating know-how in property evaluation and management during the contract period based on actual transactions.

In this finance scheme, we leveraged our expertise in physical assets to build a new business model that earns compensation by providing movable asset collateral evaluation and management during the contract period. We are very pleased to be able to return the new added value created through deeper group collaboration to our customers, and ultimately contribute to the growth of the semiconductor industry.

Satsuka (SMFL)

In taking up credit at SMFL, we cleared examination issues based on Mr. Taki's research report and information sharing from Mr. Ichikawa. There were many other legal issues and contract clauses to sort out, and time was limited toward the listing, but by working closely with SMBC, we were able to close the deal. We have also built a framework to horizontally deploy similar schemes for future cases.

Ichikawa (SMBC Tokyo Corporate Banking Dept.2)

At times, we had tough discussions with customers, but in the end, we were able to provide solutions to their management issues, and I believe this was a case that contributed to our management philosophy of growing together with customers.

Currently, policy interest rates are being raised in stages, and customers' fundraising methods are diversifying in a world with interest rates. Taking into account changes in the environment, we will strive to understand management issues through dialogue with each customer and provide value-added solutions like the KIOXIA HD project.

Taki (SMBC Corporate Research Dept.)

Through this collaboration, I have once again recognized the importance of leveraging expertise from a medium- to long-term perspective, not just for one-off project research. Going forward, I will proactively engage in strategic proposals for customers and research on industries and fields where new risk taking is expected, and through supporting corporate growth, contribute to the materiality of Japan's regrowth.