

Investors Meeting Presentation on FY3/2013 Performance

May 17th, 2013

**Sumitomo Mitsui Financial Group, Inc.
Sumitomo Mitsui Banking Corporation**

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I . FY3/2013 performance and FY3/2014 forecast

I . FY3/2013 performance and FY3/2014 forecast

1. FY3/2013 summary

- Recorded highest ever net income both in SMFG consolidated (JPY 794.1 bn) and SMBC non-consolidated (JPY 617.8 bn)
- Achieved financial targets of the medium-term management plan one year ahead of schedule
- Steady results in most group companies including SMBC, driven by its Marketing units
- Low level of total credit cost
- Decrease in SMBC's tax costs^{*1}

Per share information of SMFG consolidated

	FY3/13 results	YOY change
Net income per share	JPY 586.49	+JPY 212.23
ROE	14.8%	+4.4%
Dividend per share	JPY 120 ^{*2}	+JPY 20
of which Ordinary dividend	JPY 110	+JPY 10

	Mar. 31, 2013	Change from Mar. 31, 2012
Net assets per share	JPY 4,686.69	+JPY 830.32

FY3/14 Forecast
JPY 428.40
JPY 110
JPY 110

Credit ratings of SMBC

Moody's	Aa3 / P-1
S&P	A+ / A-1
Fitch	A- / F1
R&I	AA- / a-1+
JCR	AA / J-1+

Upgraded one notch

- JCR: Sep. 2012
- R&I : Dec. 2012

^{*1} Impact of shift from examples (4) proviso to examples (2) of the practical guidelines on assessing the collectability of deferred tax assets : approx. JPY 90 bn

^{*2} Includes commemorative dividend of JPY 10 per share for SMFG's 10th anniversary

I . FY3/2013 performance and FY3/2014 forecast

2. Update on financial targets

- Achieved financial targets of the medium-term management plan one year ahead of schedule

Common Equity Tier 1 capital ratio	Mar. 2011	Mar. 2013	Mar. 2014 target
Basel 3 fully-loaded basis	above 6%	8.6%	8%
Basel 3 transitional basis	above 8%	9.38%	

	FY3/11	FY3/13	FY3/14 targets
Consolidated net income RORA	0.8%	1.3%	0.8%
Consolidated ROE	9.9%	14.8%	
Consolidated overhead ratio	52.5%	52.4%	50% - 55%
SMBC non-consolidated overhead ratio	45.6%	47.3%	45% - 50%
Overseas banking profit ratio*	23.3%	30.2%	30%

* Based on the medium-term management plan assumed exchange rate of 1 USD=JPY 85 for FY3/2012 to FY3/2014

I . FY3/2013 performance and FY3/2014 forecast

3. FY3/2013 financial performance

P/L

	(JPY bn)	FY3/13	YOY change	Change from Nov. forecast
SMFG consolidated	Consolidated gross profit	USD29.7bn ^{*1} 2,792.9	+198.4	
	Variance with SMBC non-consolidated	1,252.8	+190.8	
	Net Interest income	1,392.6	+51.3	
	Others	1,400.3	+147.1	
	General and administrative expenses	(1,496.3)	(74.9)	
	Total credit cost	(173.1)	(51.8)	
	Ordinary profit	1,073.7	+138.2	+243.7
	Variance with SMBC non-consolidated	402.9	+162.7	+62.9
	Net income	USD8.4bn ^{*1} 794.1	+275.5	+254.1
	Variance with SMBC non-consolidated	176.3	+135.7	+36.3
SMBC non-consolidated	Gross banking profit	USD16.4bn ^{*1} 1,540.1	+7.6	+50.1
	of which Gains (losses) on bonds	113.8	(38.7)	
	Expenses^{*2}	(727.7)	(8.2)	(7.7)
	Banking profit^{*3}	812.4	(0.6)	+42.4
	Total credit cost	(19.5)	+39.1	+60.5
	Gains (losses) on stocks	(35.7)	(20.5)	
	Ordinary profit	670.9	(24.5)	+180.9
	Net income	USD6.6bn ^{*1} 617.8	+139.8	+217.8

Contribution of subsidiaries to SMFG's Consolidated gross profit

	(JPY bn)	FY3/13	YOY change
SMBC Nikko Securities		276	+46
Sumitomo Mitsui Card		178	+2
SMBC Consumer Finance^{*4}		166	+123
Cedyna		157	(7)
Sumitomo Mitsui Finance and Leasing		115	+16

Contribution of subsidiaries to SMFG's Net income

	(JPY bn)	FY3/13	YOY change
SMBC Consumer Finance^{*4}		48	+76
SMBC Nikko Securities		45	+27
Sumitomo Mitsui Finance and Leasing		19	+1
Sumitomo Mitsui Card		18	+3
SMBC Capital Markets		18	+14
Cedyna		13	+51
SMBC Friend Securities		10	+6
SMBC Guarantee		10	(23)

I . FY3/2013 performance and FY3/2014 forecast

4. FY3/2013 results by segment

	(JPY bn)	Gross profit	YOY change	Expenses	YOY change	Consolidated net business profit ^{*1}	YOY change
Total		2,802.4	+192.3	(1,444.5)	(69.9)	1,166.2	+152.3
Banking business		1,798.6	+34.7	(876.9)	(25.6)	891.3	(0.8)
of which SMBC		1,540.1	+7.6	(727.7)	(8.2)	812.4	(0.6)
Leasing		120.4	+18.3	(50.8)	(8.2)	69.3	+1.5
of which Sumitomo Mitsui Finance and Leasing^{*2}		114.8	+15.7	(51.7)	(8.5)	59.0	(3.9)
Securities services		341.5	+63.6	(247.3)	(22.8)	92.2	+41.4
of which SMBC Nikko Securities		268.9	+46.8	(194.9)	(14.8)	73.4	+33.1
Consumer finance business		526.5	+90.3	(331.2)	(39.3)	122.2	+112.5
of which Sumitomo Mitsui Card		183.1	+3.8	(132.6)	(6.0)	44.8	+1.7
of which Cedyna		153.5	(6.6)	(118.2)	+2.3	13.7	+41.4
of which SMBC Consumer Finance^{*2,3}		165.8	n/a	(66.2)	n/a	51.9	+78.8
Other business^{*4}		15.4	(14.6)	61.7	+26.0	(8.8)	(2.3)

^{*1} Consolidated net business profit = SMBC's non-consolidated banking profit (before provision for general reserve for possible loan losses) + SMFG's non-consolidated ordinary profit + Other subsidiaries' ordinary profit (excluding non-recurring factors) + Equity method affiliates' ordinary profit X Ownership ratio – Internal transactions (dividends, etc.)

^{*2} On a consolidated basis

^{*3} Figures from 1Q to 3Q, FY3/2012 were included as a 22% owned affiliated company and figures for 4Q, FY3/2012 were included as a wholly-owned subsidiary

^{*4} Includes profits/losses to be offset as internal transactions between segments

I . FY3/2013 performance and FY3/2014 forecast

5. Performance by SMBC's business unit*1

Banking profit by business unit

		(JPY bn)	FY3/12	FY3/13	YOY change*2
Consumer Banking Unit	Gross banking profit		383.7	374.9	+4.4
	Expenses		289.5	284.4	(5.4)
	Banking profit		94.2	90.5	+9.8
Middle Market Banking Unit	Gross banking profit		422.9	412.2	(5.0)
	Expenses		222.8	216.7	(2.3)
	Banking profit		200.1	195.5	(2.7)
Corporate Banking Unit	Gross banking profit		212.6	208.0	+2.6
	Expenses		38.2	39.6	+0.6
	Banking profit		174.4	168.4	+2.0
International Banking Unit (IBU)	Gross banking profit		197.4	240.5	+33.0
	Expenses		64.9	72.9	+8.4
	Banking profit		132.5	167.6	+24.6
Marketing Units	Gross banking profit		1,216.6	1,235.6	+35.0
	Expenses		615.4	613.6	+1.3
	Banking profit		601.2	622.0	+33.7
Treasury Unit	Gross banking profit		319.3	295.3	(24.0)
	Expenses		19.2	21.0	+1.5
	Banking profit		300.1	274.3	(25.5)
Headquarters	Gross banking profit		(3.4)	9.2	(3.4)
	Expenses		84.9	93.1	+5.4
	Banking profit		(88.3)	(83.9)	(8.8)
Total	Gross banking profit		1,532.5	1,540.1	+7.6
	Expenses		719.5	727.7	+8.2
	Banking profit		813.0	812.4	(0.6)

Gross banking profit by product

		(JPY bn)	FY3/13	YOY change*2
of which:	Income on domestic loans		459.9	(22.5)
	Income on domestic yen deposits		148.2	+0.1
	IBU's interest related income*3		146.1	+24.0
Interest income			814.1	(0.6)
of which:	Investment trust		50.1	+3.2
	Single premium type permanent life insurance		12.4	+1.8
	Level premium insurance		12.2	+4.7
Income relating to financial consulting for retail customers			80.0	+5.5
of which:	Loan syndication		61.4	+11.5
	Structured finance*4		56.7	+7.7
	Real estate finance*4		29.4	(0.9)
Income related to IB business*4			172.9	+18.1
of which:	Sales of derivatives		19.7	+3.4
	Money remittance, electronic banking		92.0	(0.5)
	Foreign exchange		43.3	+0.1
IBU's non-interest income*3			100.4	+8.8
Non-interest income			421.5	+35.6
Gross banking profit of Marketing Units			1,235.6	+35.0

Adjustment of internal rate, etc.: (16.0)

Nominal YOY change : + 19.0

Average loan balance and spread by business unit

		Balance		Spread	
		FY3/13	YOY change*2	FY3/13	YOY change*2
(JPY tn, %)					
Domestic loans		45.9	(1.7) *5	1.04	(0.01)
of which	Consumer Banking Unit	15.1	(0.2)	1.43	(0.02)
	Middle Market Banking Unit	16.3	(0.2)	1.06	(0.07)
	Corporate Banking Unit	11.6	(0.2)	0.66	(0.01)
IBU's interest earning assets*6 (USD bn, %)		147.0	+17.1	1.18	+0.10

*1 SMBC non-consolidated. Managerial accounting basis *2 After adjustments of internal rate, etc.

*3 Includes profit from Japanese corporations in Hong Kong Branch and Taipei Branch

*4 Includes interest income *5 of which JPY (1.1) tn was resulted from a decrease of loans to government

*6 Sum of loans, trade bills and securities

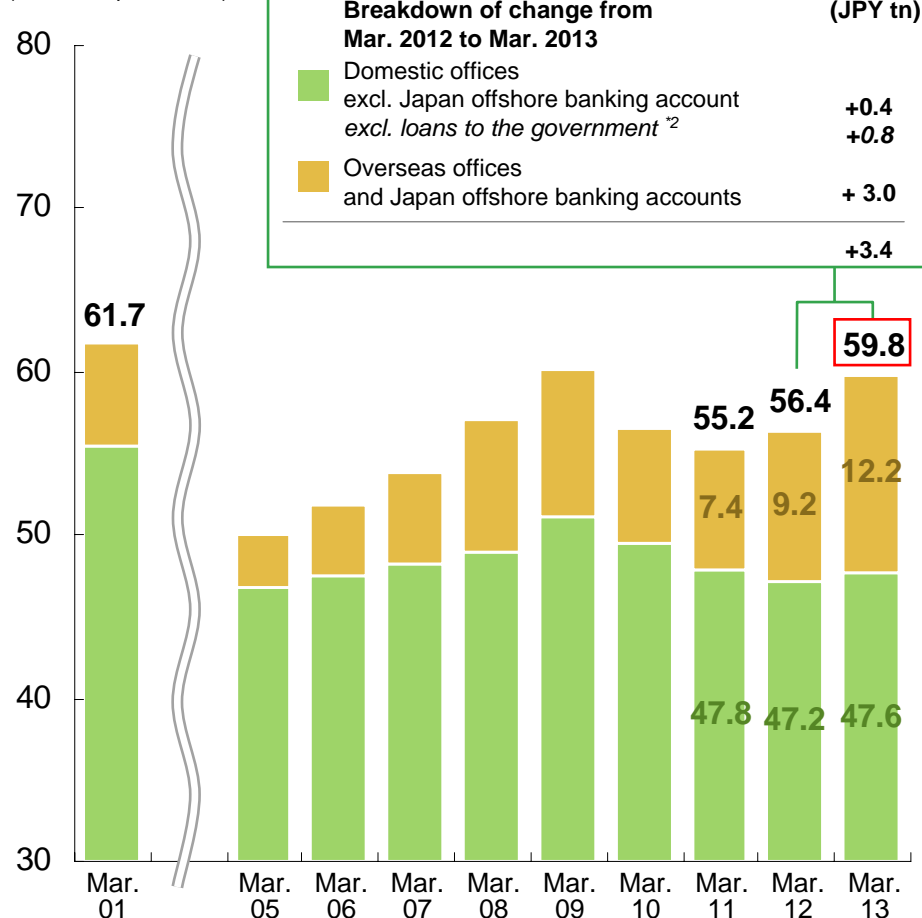
I . FY3/2013 performance and FY3/2014 forecast

6. Loan balance

SMBC non-consolidated

Loan balance^{*1}

(JPY tn, at period-end)



Loan balance by domestic Marketing Units, managerial accounting basis

(JPY tn, at period-end)	Mar. 2013	Change from Mar. 2012
Consumer Banking Unit	15.0	(0.1) ^{*3}
Middle Market Banking Unit ^{*4}	17.0	+0.5
Corporate Banking Unit	12.1	+0.4

Overseas loans, classified by region,^{*5} managerial accounting basis

(JPY tn, at period-end)	Mar. 2013	Change from Mar. 2012	After adjustment of yen appreciation
Overseas total	13.7	+3.2	+1.6
to Japanese corporations	3.9	+1.1	+0.7
Asia	5.4	+1.3	+0.7
to Japanese corporations	1.5	+0.4	+0.2
Americas	4.4	+1.3	+0.7
to Japanese corporations	1.8	+0.6	+0.4
EMEA	3.9	+0.6	+0.2
to Japanese corporations	0.6	+0.1	+0.1

^{*1} The aggregate of former Sakura bank and Sumitomo Bank for Mar. 01 ^{*2} Loans to the Special Account for Allotment of Local Allocation Tax and Local Transfer Tax, etc.

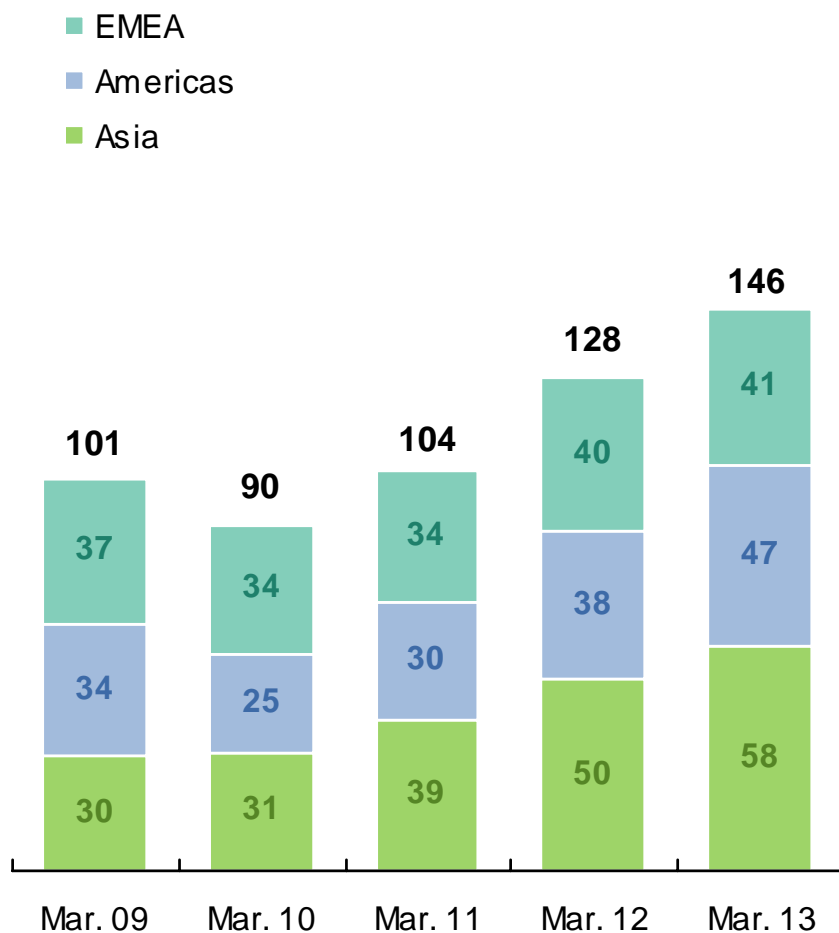
^{*3} After add-back adjustment of portion of housing loans securitized in FY3/13 of approx. JPY 120 bn ^{*4} Excluding loans to the Special Account for Allotment of Local Allocation Tax and Local Transfer Tax, etc. ^{*5} Sum of SMBC, SMBC Europe and SMBC (China). Based on location of the channels

I . FY3/2013 performance and FY3/2014 forecast

7. Overseas loan balance, deposit balance and foreign currency funding (1)

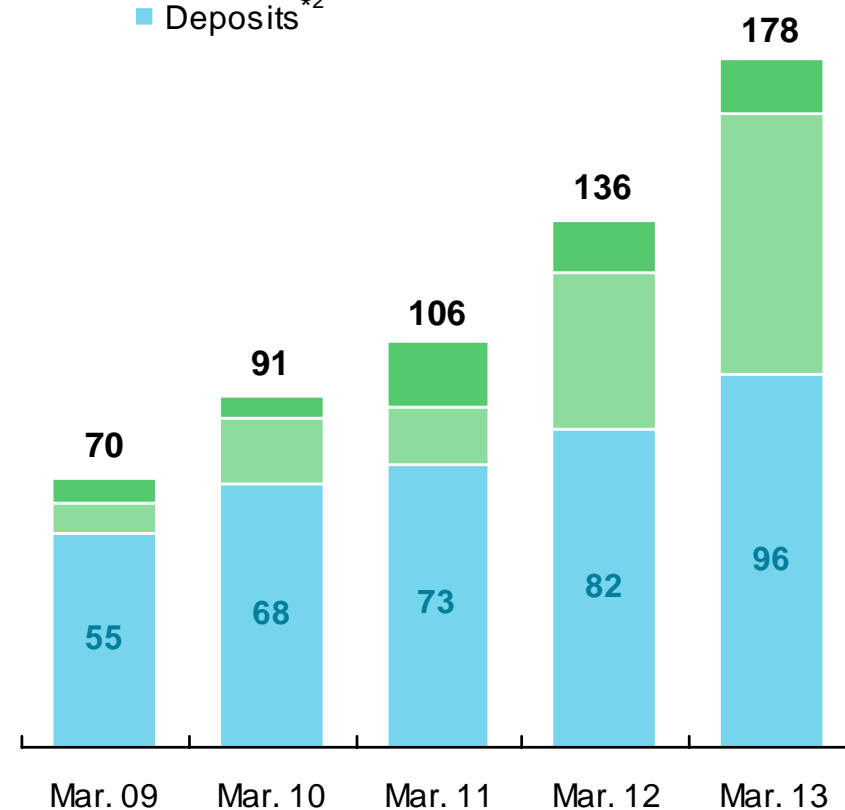
Overseas loan balance*¹

(USD bn)

Overseas deposit balance*¹

(USD bn)

- CDs & CP : less than 3 months
- CDs & CP : 3 months or more
- Deposits*²

*¹ Managerial accounting basis, exchanged at respective period-end exchange rates. Sum of SMBC, SMBC Europe and SMBC (China)*² Includes deposits from central banks

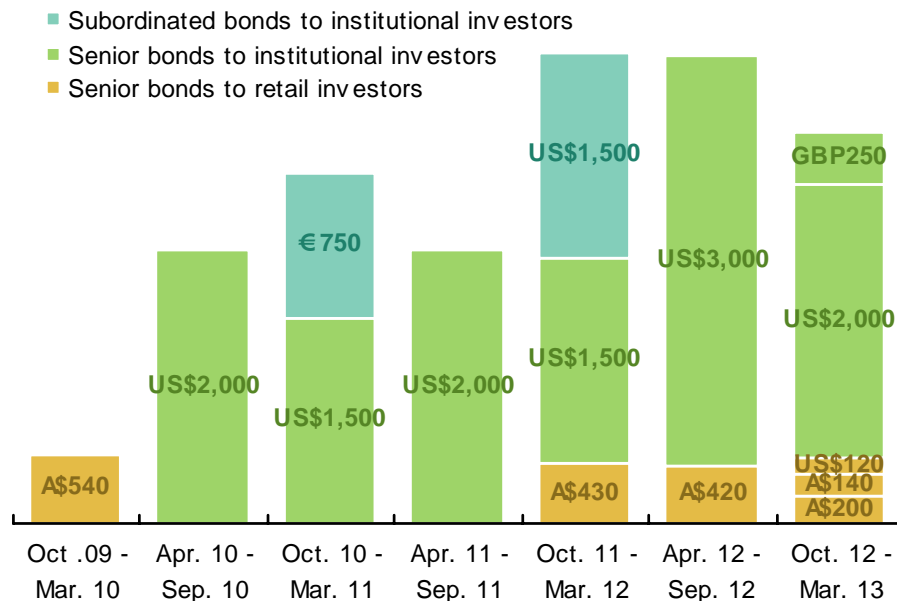
I . FY3/2013 performance and FY3/2014 forecast

7. Overseas loan balance, deposit balance and foreign currency funding (2)

Diversification of foreign-currency funding

- Issued foreign-currency denominated senior bonds to: overseas institutional investors in Jul. 2012(USD) and Jan. 2013(USD)
domestic retail investors in Jun. 2012 and Dec. 2012
- Issued GBP senior bonds to overseas investors in Mar. 2013, senior bonds in dual currencies to domestic retail investors in Mar. 2013 and AUD transferable deposits*¹ by Sydney branch in Feb. 2013

Issued amount of foreign-currency denominated bonds (mn)



Latest USD senior bonds issuances by SMBC

Maturity	Pricing date	Issuer	Issued amount (USD mn)	Coupon (%)	Spread (bp)	Credit ratings* ²	
						Moody's	S&P
5 Years	2012/12/10	BNP Paribas (New York)	750	2.375	143.0	A2	AA-
	2012/12/11	Bank of Nova Scotia	1,000	1.375	77.0	Aa1	AA-
	2012/12/13	HSBC USA Inc	1,500	1.625	100.0	A2	A+
	2012/12/18	Wells Fargo & Co	1,250	1.500	78.0	A2	A+
	2013/1/7	Westpac Banking Corp	1,000	1.600	80.0	Aa2	AA-
	2013/1/7	Royal Bank of Canada	1,250	1.500	72.0	Aa3	AA-
	2013/1/7	Intesa SanPaolo Spa (New York)	1,500	3.875	310.0	Baa2	BBB+
	2013/1/8	Bank of America Corp	2,000	2.000	125.0	Baa2	A-
	2013/1/10	Sumitomo Mitsui Banking Corp	750	1.500	77.0	Aa3	A+
	2013/1/17	Canadian Imperial Bank of Commerce	750	1.550	78.0	Aa2	A+

Bonds issuances in Jul. 2010

Maturity	Pricing date	Issuer	Issued amount (USD mn)	Coupon (%)	Spread (bp)	Credit ratings* ²	
						Moody's	S&P
5 Years	2010/6/17	JP Morgan Chase & Co	1,250	3.400	145.0	Aa3	A+
	2010/6/21	HSBC Bank plc	2,000	3.500	150.0	Aa2	AA
	2010/7/7	Credit Suisse (New York)	500	3.500	145.0	Aa1	A+
	2010/7/7	Royal Bank of Canada	1,000	2.625	90.0	Aaa	AA-
	2010/7/14	Sumitomo Mitsui Banking Corp	1,000	3.150	137.5	Aa2	A+
	2010/7/22	US Bancorp	1,000	2.450	78.0	Aa3	AA+
	2010/7/26	Westpac Banking Corp	2,000	3.000	137.0	Aa1	AA
	2010/8/2	Citigroup, Inc.	750	4.750	255.0	A3	A
	2010/8/4	Intesa Sanpaolo Spa	1,000	3.625	205.0	Aa2	A+

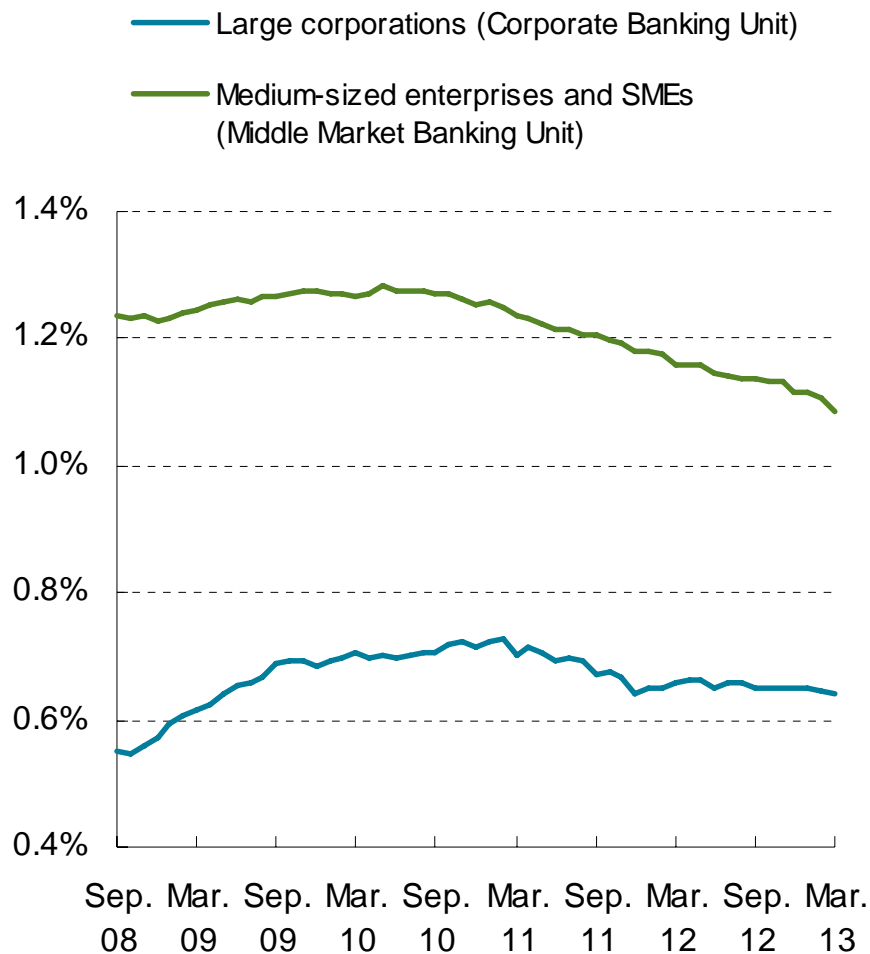
*1 A type of negotiable certificate deposit that is traded equally as corporate bonds in the Australian market

*2 Credit ratings at time of issuance

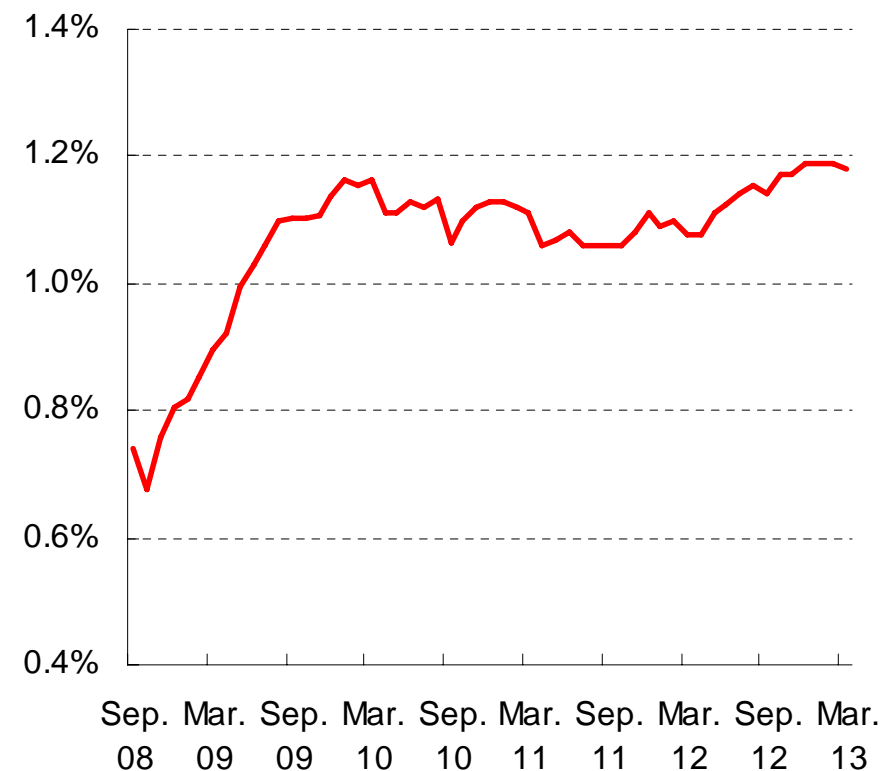
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8. Loan spread*1

Domestic*2



Overseas*3



*1 Managerial accounting basis. Average loan spread of existing loans *2 SMBC non-consolidated *3 Sum of SMBC, SMBC Europe and SMBC (China)

I . FY3/2013 performance and FY3/2014 forecast

9. Gains (losses) on bonds

SMBC non-consolidated

Gains (losses) on bonds

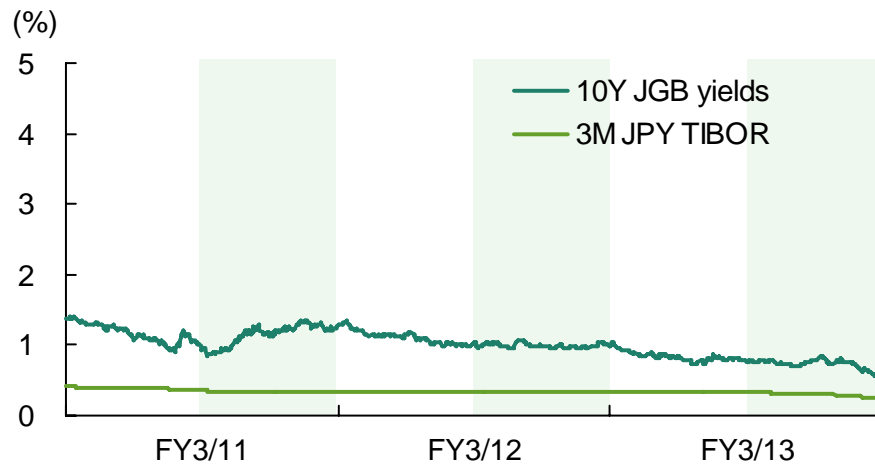
(JPY bn)	FY3/12	FY3/13	YOY change
Gains (losses) on bonds	152.5	113.8	(38.7)
Domestic operations	23.2	40.7	+17.5
International operations	129.3	73.2	(56.2)

Gross banking profit of Treasury Unit

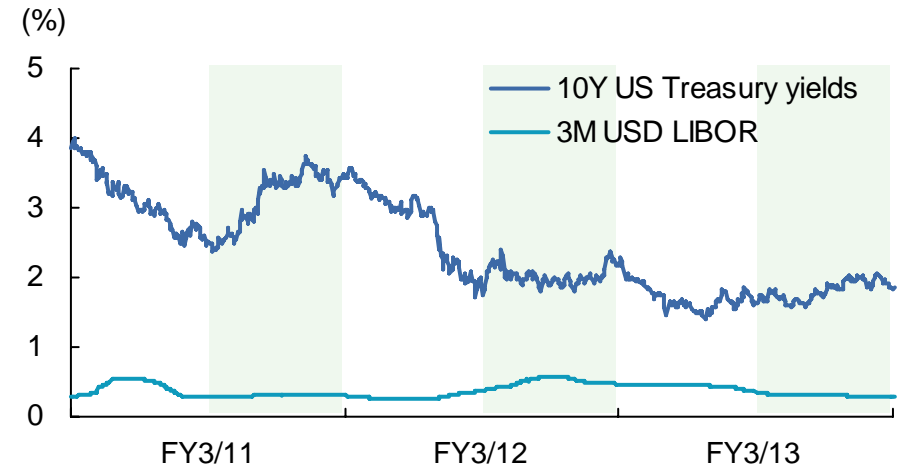
(JPY bn)	FY3/12	FY3/13	YOY change
Gross banking profit of Treasury Unit	319.3	295.3	(24.0)

Interest rate of JPY and USD

JPY



USD



I . FY3/2013 performance and FY3/2014 forecast

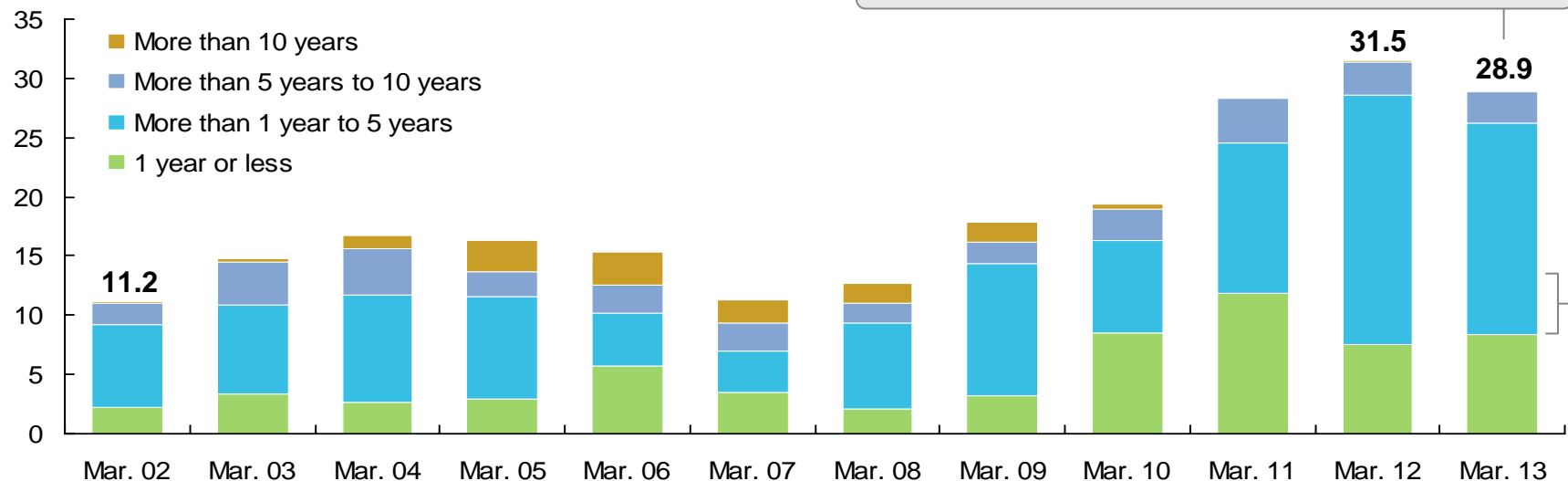
10. Bond portfolio

Yen bond portfolio

SMBC non-consolidated

(Total balance of other securities with maturities and bonds classified as held-to-maturity; total of JGBs, Japanese local government bonds and Japanese corporate bonds)

(Balance (JPY tn))



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
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

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

I . FY3/2013 performance and FY3/2014 forecast

11. Expenses

Expenses

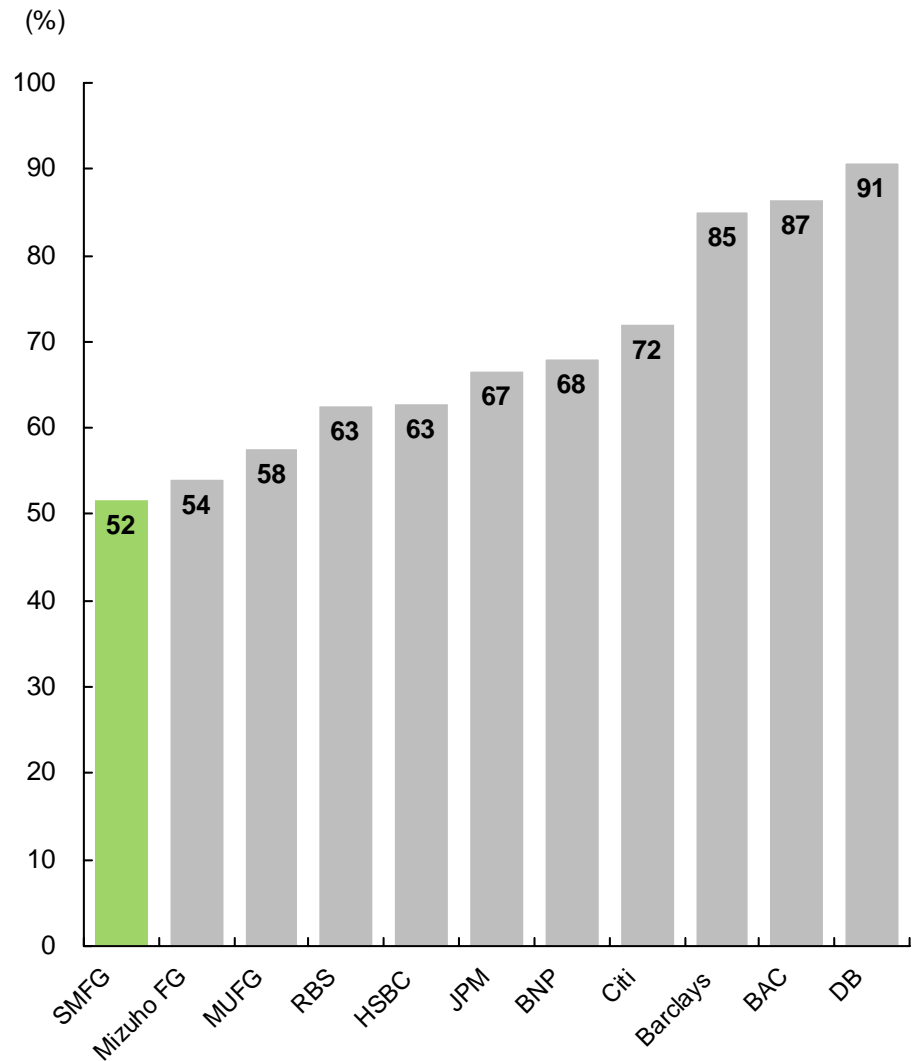
		(JPY bn)	FY3/13	YOY change	FY3/14 Forecast
SMFG consolidated	Expenses*1		(1,464.7)	(76.3)	
	OHR		52.4%	(1.1%)	
SMBC non-consolidated	Expenses*2		(727.7)	(8.2)	(740.0)
	OHR		47.3%	+0.4%	48.1%

*1 Consolidated G&A expenses net of SMBC's non-recurring losses

*2 Excluding non-recurring losses

*3 Based on each company's disclosure. G&A expenses (for Japanese banks, excluding non-recurring losses) divided by top-line profit (net of insurance claims).
FY3/2013 results for SMFG, MUFG and Mizuho FG, and FY12/2012 results for others

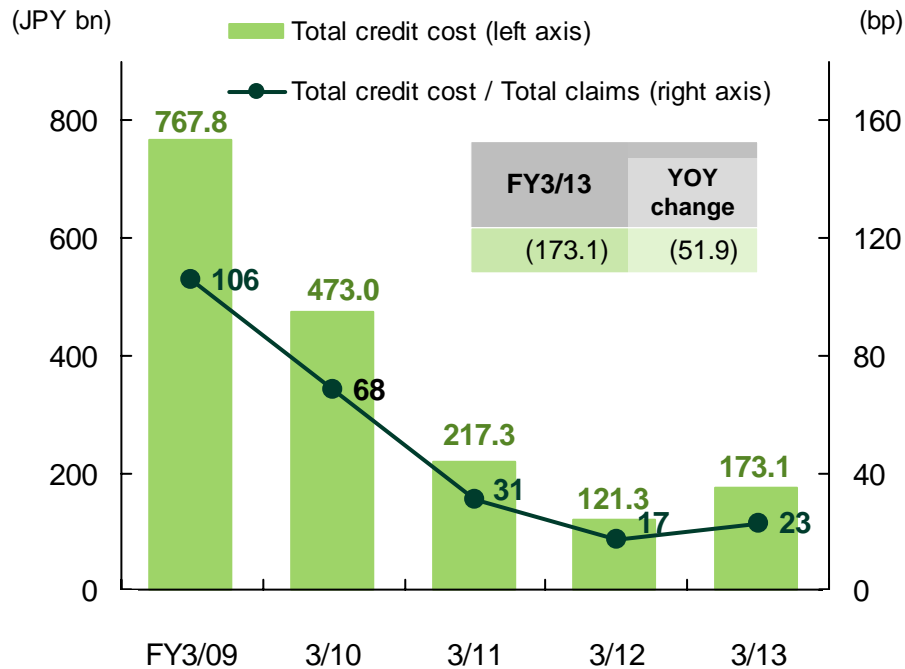
OHR on group consolidated basis*3



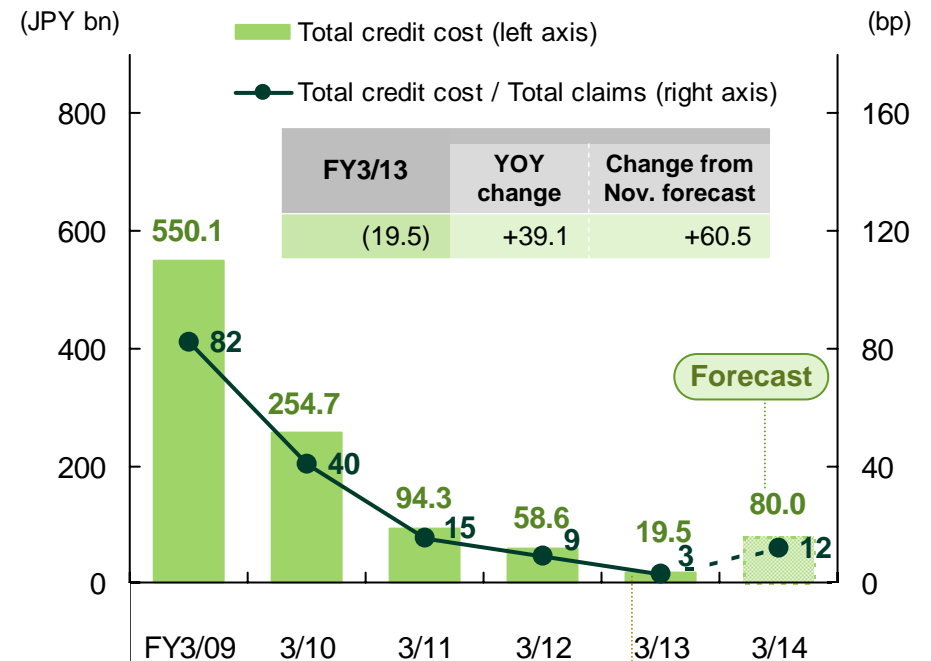
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12. Credit costs

SMFG consolidated



SMBC non-consolidated



Main factors of variance*1

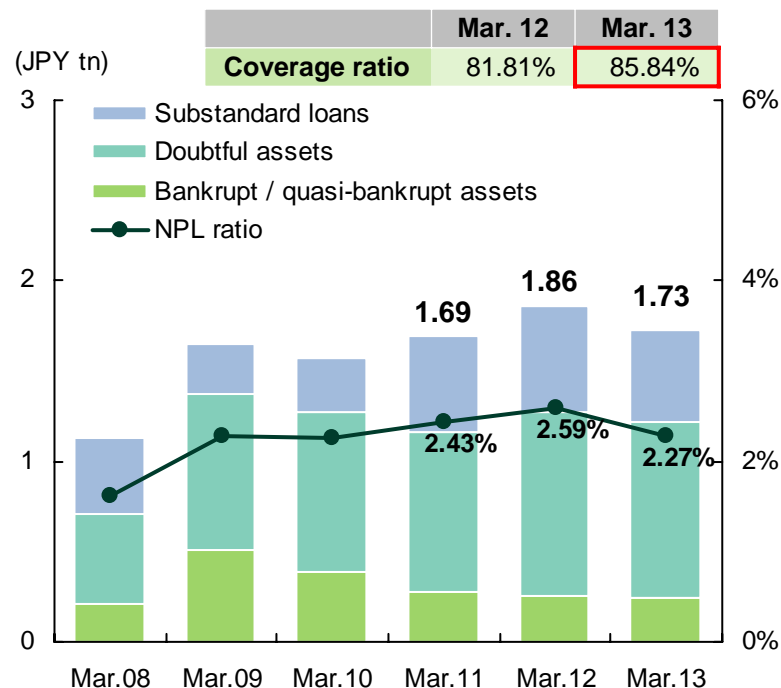
	(JPY bn)	FY3/13	YOY Change
Variance with SMBC non-consolidated		(153.6)	(91.0)
SMBC Consumer Finance*2		(41)	(37)
Kansai Urban Banking Corporation		(27)	(6)
Cedyna		(22)	+4

- In view of maintaining financial soundness, SMBC made additional provisions for rescheduled borrowers and reexamined reserve ratio
- Notwithstanding, credit costs remained at a low level due to a small incurrence and a reversal of provisions

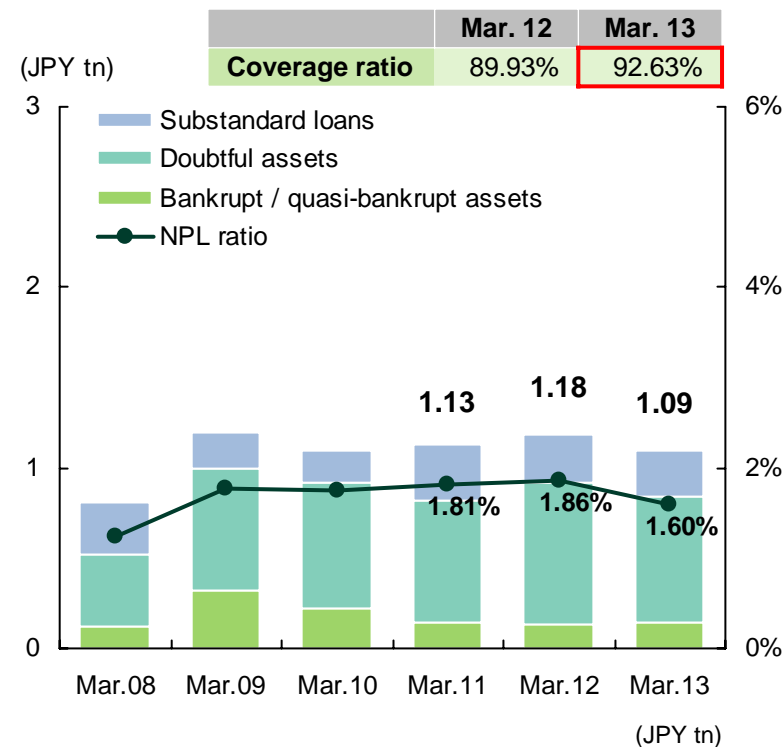
I . FY3/2013 performance and FY3/2014 forecast

13. Non-performing loan balance and ratio

SMFG consolidated



SMBC non-consolidated



Claims to borrowers requiring caution*	2.6	3.7	3.7	3.1	2.8	1.9
Total claims	65	67	63	62	64	68

* Excluding claims to Substandard borrowers

I . FY3/2013 performance and FY3/2014 forecast

Ref: Corporate, sovereign and bank exposures on a SMFG's consolidated basis

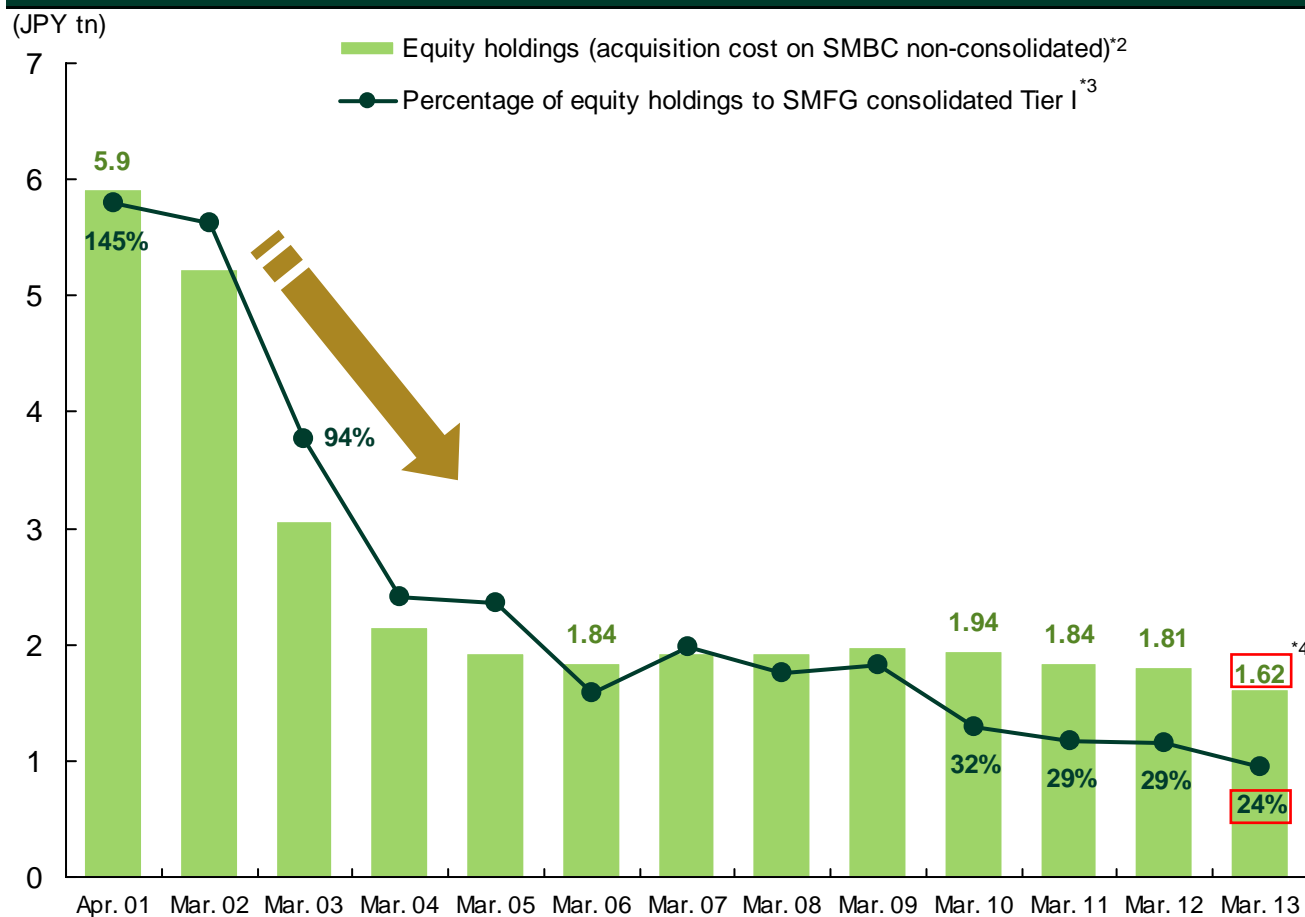


(SMFG consolidated)

I . FY3/2013 performance and FY3/2014 forecast

14. Equity holdings

Balance of equity holdings^{*1}



- Reduced SMBC's un-hedged equity by approx. JPY 310 bn since March 2010
- Ratio of un-hedged equity to SMFG consolidated Tier 1 is under 25% as of Mar. 2013

^{*1} Balance of domestic stocks classified as other securities with fair value ^{*2} Amount of un-hedged equity

^{*3} Until Mar. 2002, percentage to SMBC consolidated Tier I. On Mar. 2013, percentage to SMFG consolidated Tier 1 based on Basel 3

^{*4} Shares of SMFG related to share exchange for acquiring former Promise are excluded

I . FY3/2013 performance and FY3/2014 forecast

15. Capital and risk-weighted assets – SMFG consolidated

Capital ratio (transitional basis)

	(JPY bn)	Mar. 31, 2013 <preliminary>
Common Equity Tier 1 capital (CET1)		5,855.9
of which:		
Total stockholders' equity related to common stock		5,585.9
Minority interests related to CET1		268.9
Tier 1 capital		6,829.0
of which:		
Eligible Tier 1 capital instruments (grandfathered)		1,463.3
Adjusted Minority interests related to Additional Tier 1		127.6
Foreign currency translation adjustments		(97.5)
Regulatory adjustments		(520.3)
Tier 2 capital		2,357.0
of which:		
Eligible Tier 2 capital instruments (grandfathered)		1,830.9
Unrealized gains on other securities after 55% discount and land revaluation excess after 55% discount		506.6
Regulatory adjustments		(76.7)
Total capital		9,186.0
Risk-weighted assets		62,426.1
Common Equity Tier 1 capital ratio		9.38%
Tier 1 capital ratio		10.93%
Total capital ratio		14.71%

Risk-weighted assets*1

	(JPY bn)	Mar. 31, 2012	Mar. 31, 2013 <preliminary>	Change from Mar. 31, 2012
Credit risk-weighted assets		45,976.5	56,775.3	+10,798.8
Market risk equivalent / 8%		1,174.2	2,031.3	+857.1
Operational risk equivalent / 8%		3,892.5	3,256.2	(636.3)
Items included due to grandfathering			363.3	+363.3
<Reference> Outlier ratio*2		2.6%	1.0%	(1.6%)
Total		51,043.2	62,426.1	+11,382.9

Main factors for the changes:

- Implementation of Basel 3: +approx. JPY 6 tn
- Increase in loan balance, yen depreciation, etc.: +approx. JPY 5 tn

Common Equity Tier 1 capital ratio (fully-loaded*3, pro forma)

	(JPY bn)	Mar. 31, 2013
Variance with CET1 on a transitional basis		
Accumulated other comprehensive income		665
Minority interests (subject to be phased-out)		(130)
Regulatory adjustments related to CET1		(1,018)
Common Equity Tier 1 capital		5,373
Risk-weighted assets		62,063
Common Equity Tier 1 capital ratio		8.6%

*1 Basel 2 basis for Mar. 31, 2012 and Basel 3 transitional basis for Mar. 31, 2013

*2 SMBC consolidated

*3 Based on the definition as of Mar. 31, 2019

I . FY3/2013 performance and FY3/2014 forecast

16. Capital policy

Capital policy

Common equity Tier 1 capital (CET 1 capital)

- CET 1 capital ratio as of Mar. 2013 on a fully-loaded basis was 8.6%
- Achieved medium-term management plan CET 1 capital ratio target of 8%

Additional Tier 1 capital

- Current amount is sufficient because a certain amount of preferred securities is to be grandfathered

Tier 2 capital

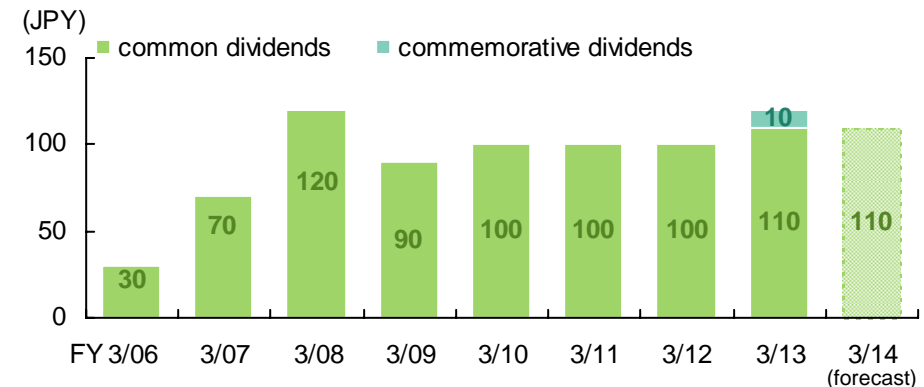
- Current amount is sufficient because a certain amount of subordinated debt is to be grandfathered

Treasury stock

Held by SMFG 3.8 million shares (as of Mar. 2013)

Held by SMBC 56.2 million shares (as of Mar. 2013)
⇒ To sell 13.3 million shares through a securities disposal trust as announced in Apr. 2013

Return to shareholders*1,2



Payout ratio*3	3.4%	12.5%	20.5%	-	46.8%	30.0%	26.8%	21.3%	26.7%
ROE*4	22.8%	13.8%	15.8%	-	7.5%	9.9%	10.4%	14.8%	

Preferred securities which become callable in FY3/14

	Issued date	Aggregate issued amount	Dividend rate*5	First call date*6	Step-up
SMFG Preferred Capital USD2 Limited					
	May 2008	USD 1,800 mn	8.75%	Jul. 2013	None
SMFG Preferred Capital JPY2 Limited					
Series D	Dec. 2008	JPY 145.2 bn	4.76%	Jan. 2014	None
Series G	Jan. 2009	JPY 125.7 bn	4.65%	Jan. 2014	None

*1 SMFG implemented a 100 for 1 stock split of common stock on Jan. 4, 2009. Figures shown above reflect the stock split, assuming that it had been implemented at the beginning of FY3/06 *2 Common stock only *3 Consolidated payout ratio *4 On a stockholders' equity basis

*5 For SMFG Preferred Capital JPY 2 Limited only, floating rate after the first call date *6 Callable at any dividend payment date on and after the first call date, subject to the prior approval of FSA

I . FY3/2013 performance and FY3/2014 forecast

17. Earnings forecast for FY3/2014

P/L

		(JPY bn)	FY3/13	1H	FY3/14 forecast
SMFG consolidated	Ordinary profit		1073.7	530	1,030
	Variance with SMBC non-consolidated		402.8	160	350
	Net income		794.1	290	580
	Variance with SMBC non-consolidated		176.3	60	150
SMBC non-consolidated	Gross banking Profit		1,540.1	760	1,540
	of which Gains (losses) on bonds		113.8		
	Expenses*1		(727.7)	(370)	(740)
	<OHR>		47.3%	48.7%	48.1%
	Banking profit*2		812.4	390	800
	Total credit cost		(19.5)	(10)	(80)
	Ordinary profit		670.9	360	680
	Net income		617.8	230	430

Assumption of earnings forecast*3

		FY3/13	FY3/14 forecast
3M TIBOR		0.32%	0.27%
Federal funds target rate		0.00~ 0.25%	0.00~ 0.25%
Exchange rate	(JPY/USD)	94.01	90.00
	(JPY/EUR)	120.66	125.00

- Forecast to decrease due to dissolving of one-time factors: e.g.
 - Tax refund at SMBC Capital Markets in FY3/13
 - Consolidated adjustment of gains on stocks relating to sale of SMFG shares by SMBC

- Forecast to increase in Marketing Unit driven by International Banking Unit, while forecast to decrease in Treasury Unit

- Forecast to decrease because tax costs for FY3/14 are assumed to be imposed at effective tax rate

*1 Excluding non-recurring losses *2 Before provision for general reserve for possible loan losses

*3 FY3/2013 and FY3/2014 forecasts of nominal GDP growth rate by Japan Research Institute were +0.4% and +2.6% respectively as of May 2013

Nikkei stock average: JPY12,397.91 as of Mar. 29, 2013.

II. Group strategy and business environment

II. Group strategy and business environment

1. Group structure (as of Mar. 2013)



SMFG SUMITOMO MITSUI
FINANCIAL GROUP

Sumitomo Mitsui Financial Group

100%



SMBC SUMITOMO MITSUI
BANKING CORPORATION

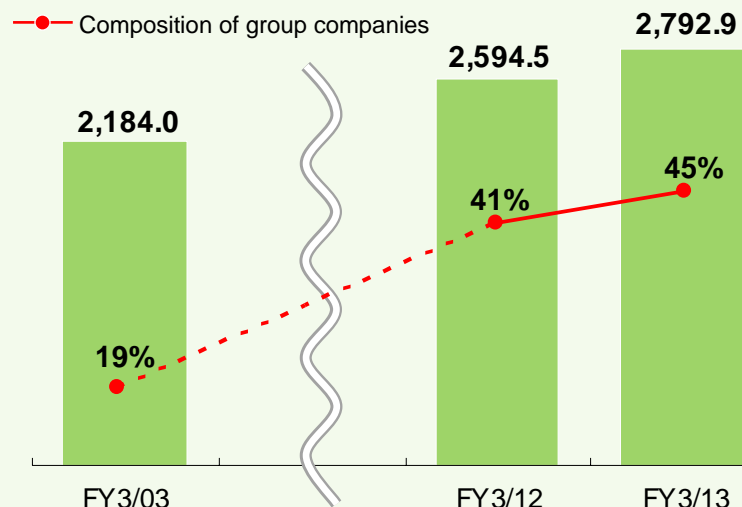
Sumitomo Mitsui Banking Corporation

No. of retail accounts approx. 27 million

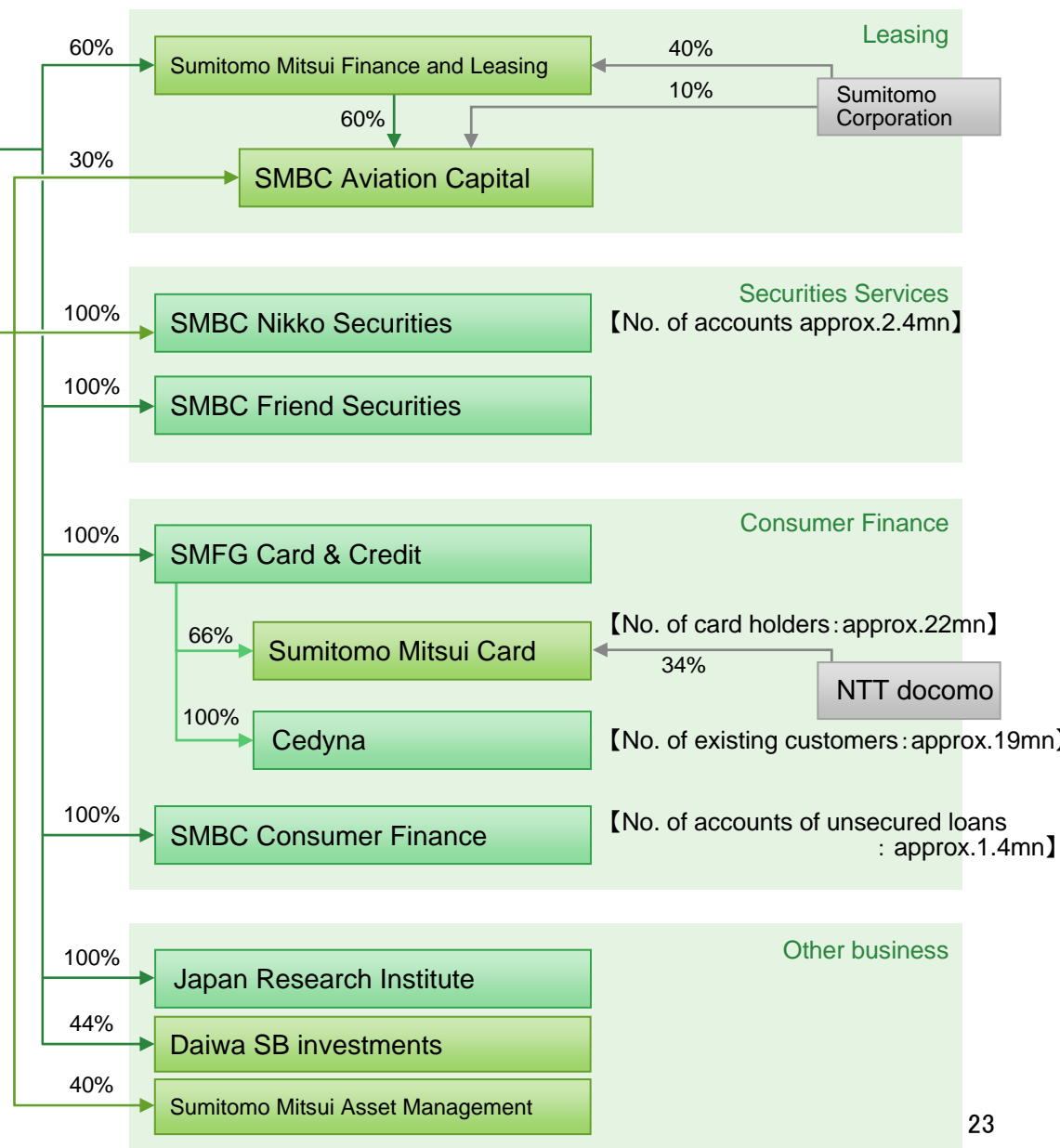
No. of corporate loan clients approx. 103 thousand

Consolidated gross profit and variance with SMBC non-consolidated (JPY bn)

— Composition of group companies

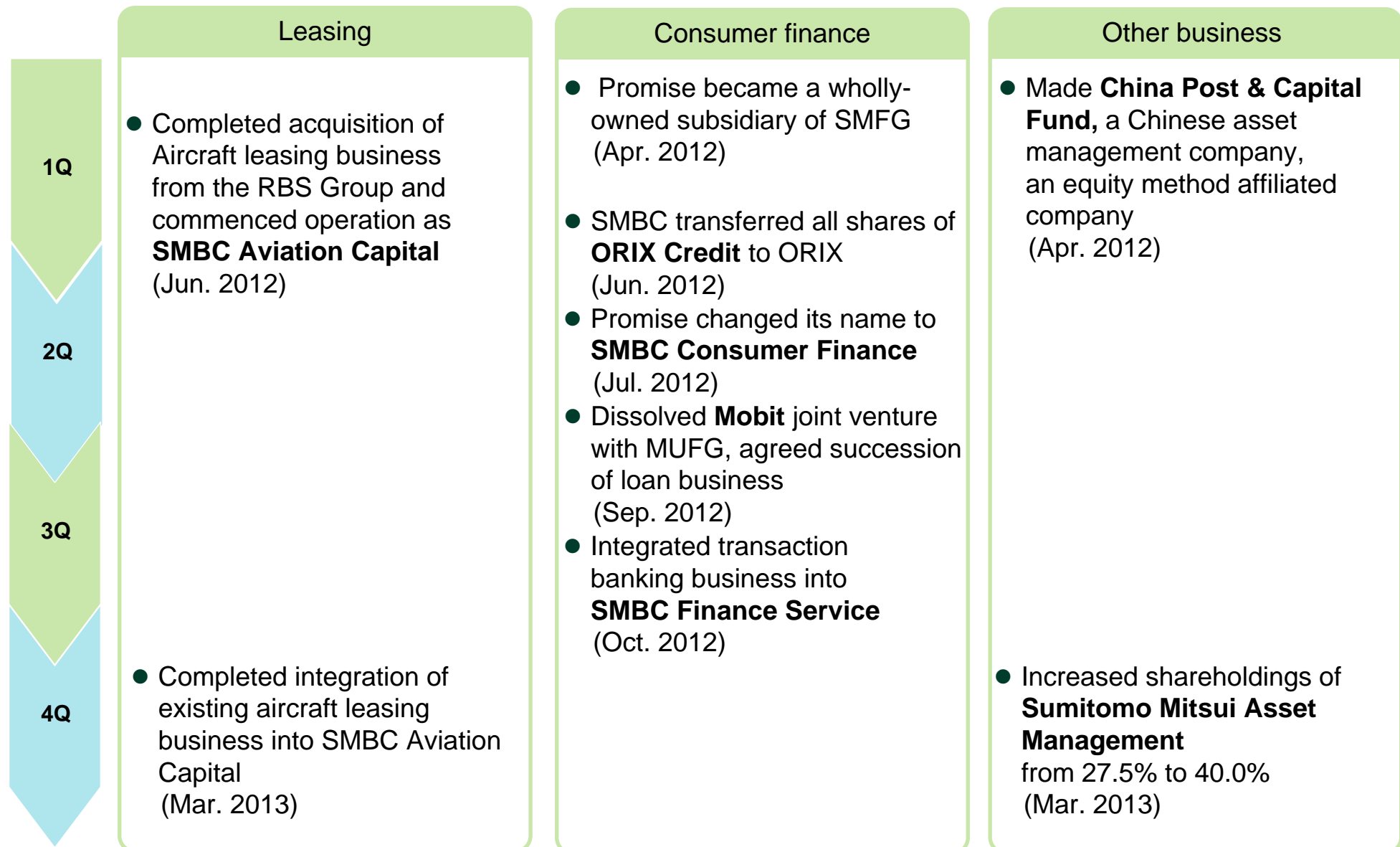


SMFG SUMITOMO MITSUI
FINANCIAL GROUP



II. Group Strategy and Business Environment

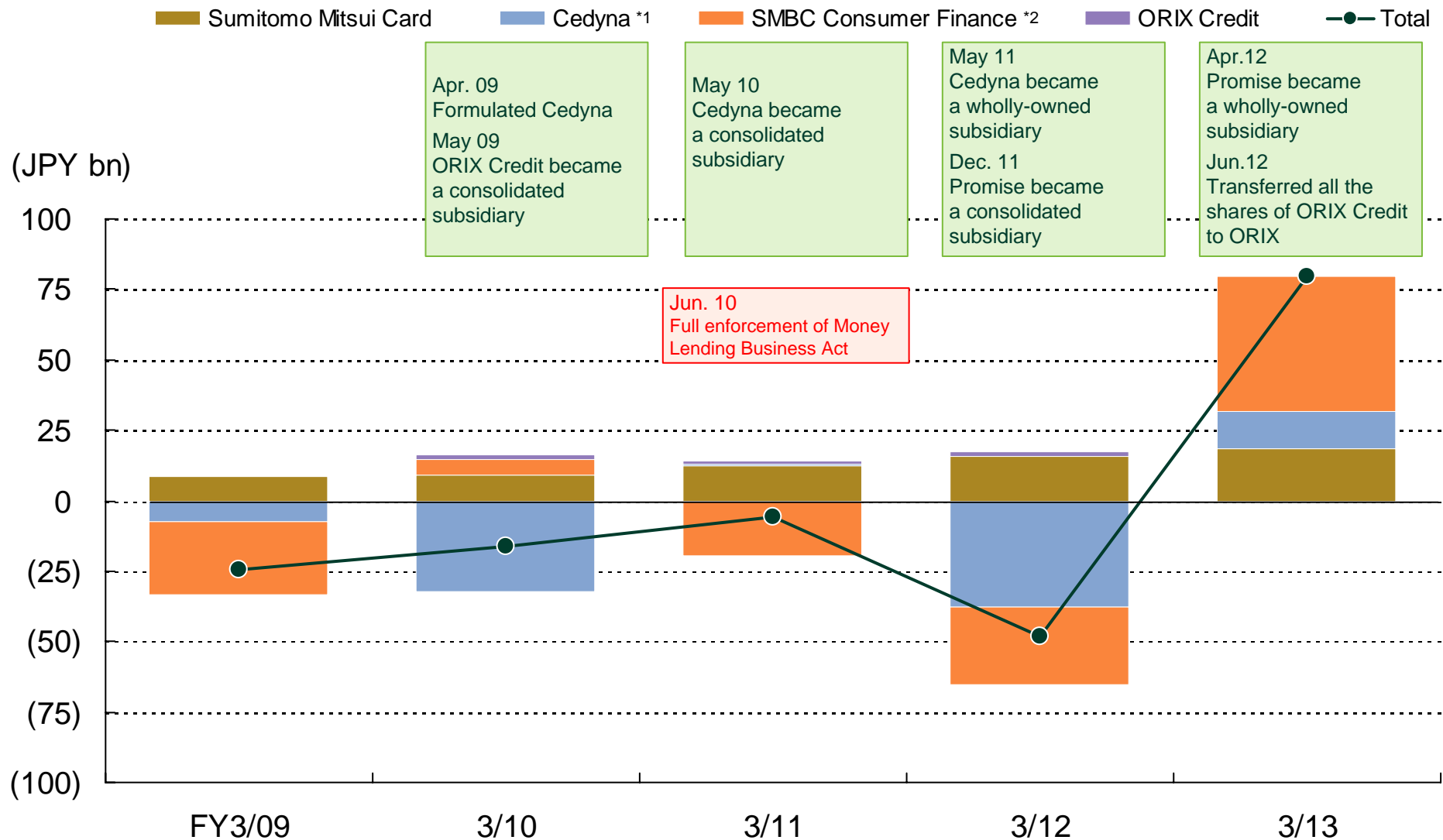
2. Group reorganization (1) FY3/2013 achievements



II. Group strategy and business environment

2. Group reorganization (2) Earnings results of group's consumer finance companies

Contribution of group's consumer finance companies to SMFG consolidated net profit



II. Group strategy and business environment

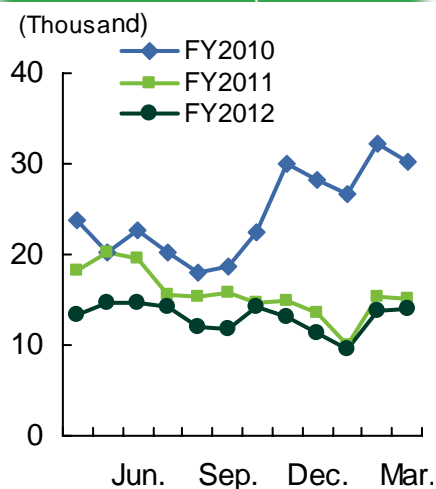
2. Group reorganization (3) SMBC Consumer Finance

Consolidated financial performance

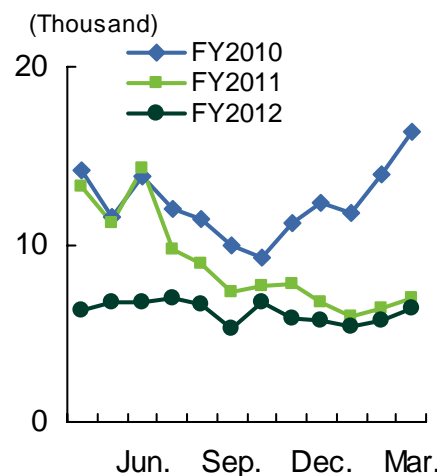
(JPY bn)	FY3/12	FY3/13	YOY change
Operating income	196.1	187.0	(9.1)
Ordinary profit* ¹	(155.4)	51.8	+207.2
Net income* ¹	(169.5)	48.1	+217.6
Consumer loans outstanding	759.3	742.8	(16.5)
Loan guarantee	581.5	659.6	+78.1
for regional financial institutions, etc.	197.4	232.7	+35.3

Transaction-record disclosure requests and Interest refund claims*²

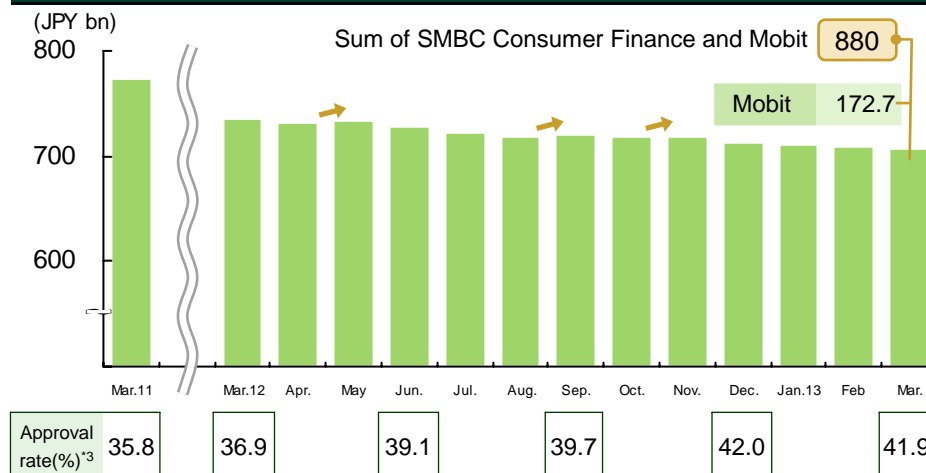
Transaction-record disclosure requests



Interest refund claims



Consumer loans outstanding*²

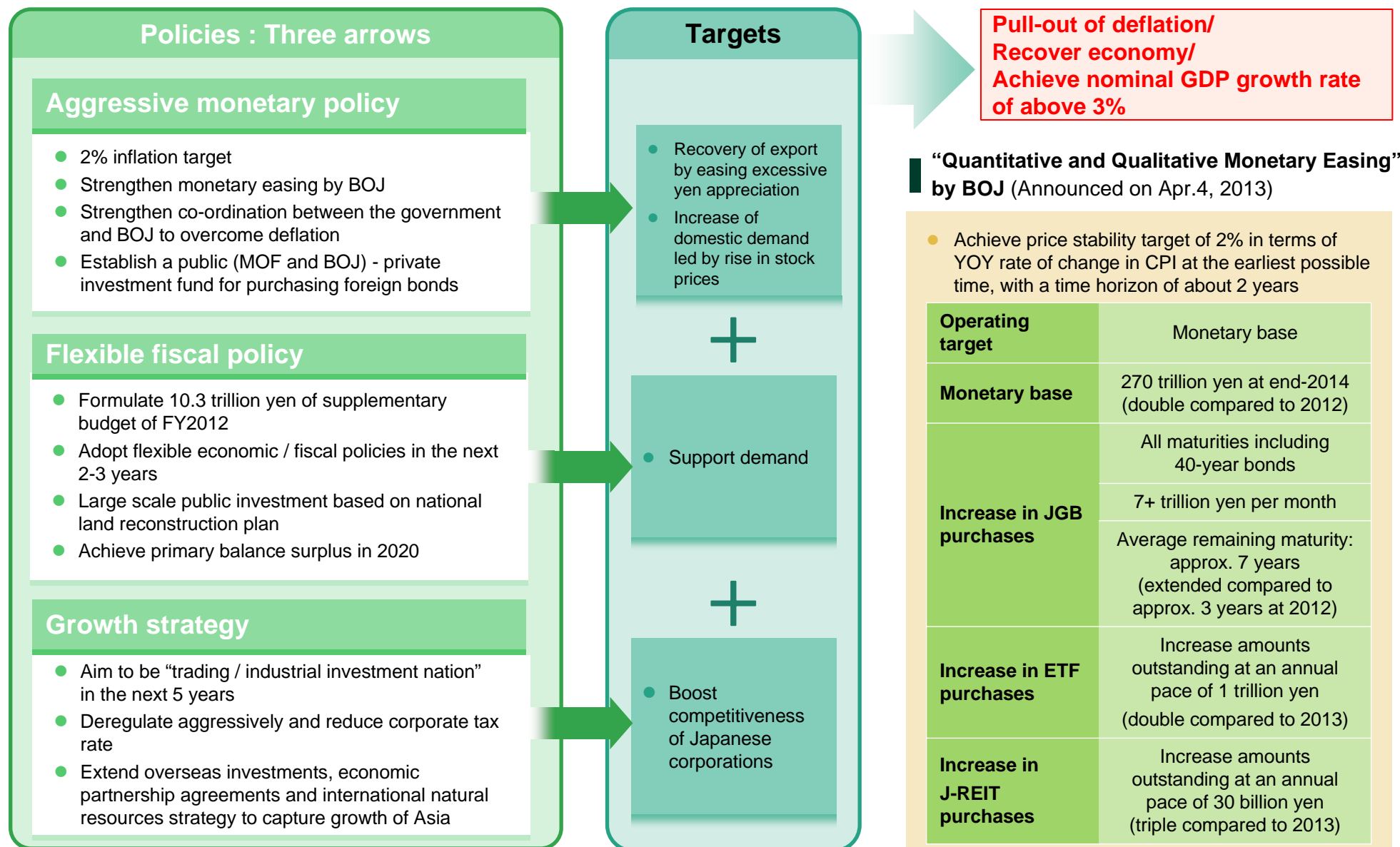


Overseas business



II. Group strategy and business environment

3. Current Japanese economy (1) “Abenomics” and “QQE”



II. Group strategy and business environment

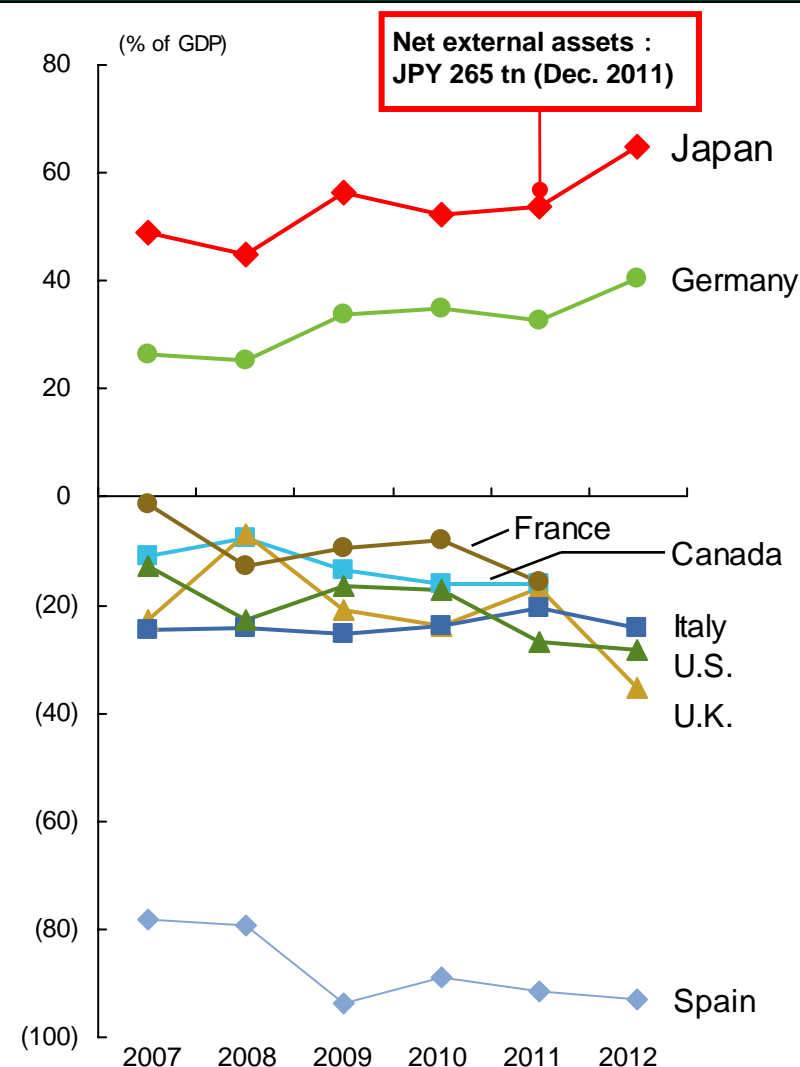
3. Current Japanese economy (2) Japanese national wealth

B/S of Japan (as of Dec. 2011, JPY tn)^{*1}

Closing Assets	8,451	Closing liabilities plus net worth	8,451
Households	2,556	Households	360
Financial assets	1,512	Non-financial corporations	1,157
Non-financial assets	1,044	Stocks	349
Land	694	Financial corporations	2,825
Non-financial corporations	1,836	Stocks	85
Financial assets	816	General government	1,096
Non-financial assets	1,020		
Land	282	Closing liabilities	5,455
Financial corporations	2,885	Net worth	2,996
General government	1,087	Households	2,195
Financial assets	496	Non-financial corporations	678
Financial assets	5,721	Financial corporations	61
Non-financial assets	2,730	General government	(19)

To Nominal GDP: 231.5%

Net international investment position^{*2}

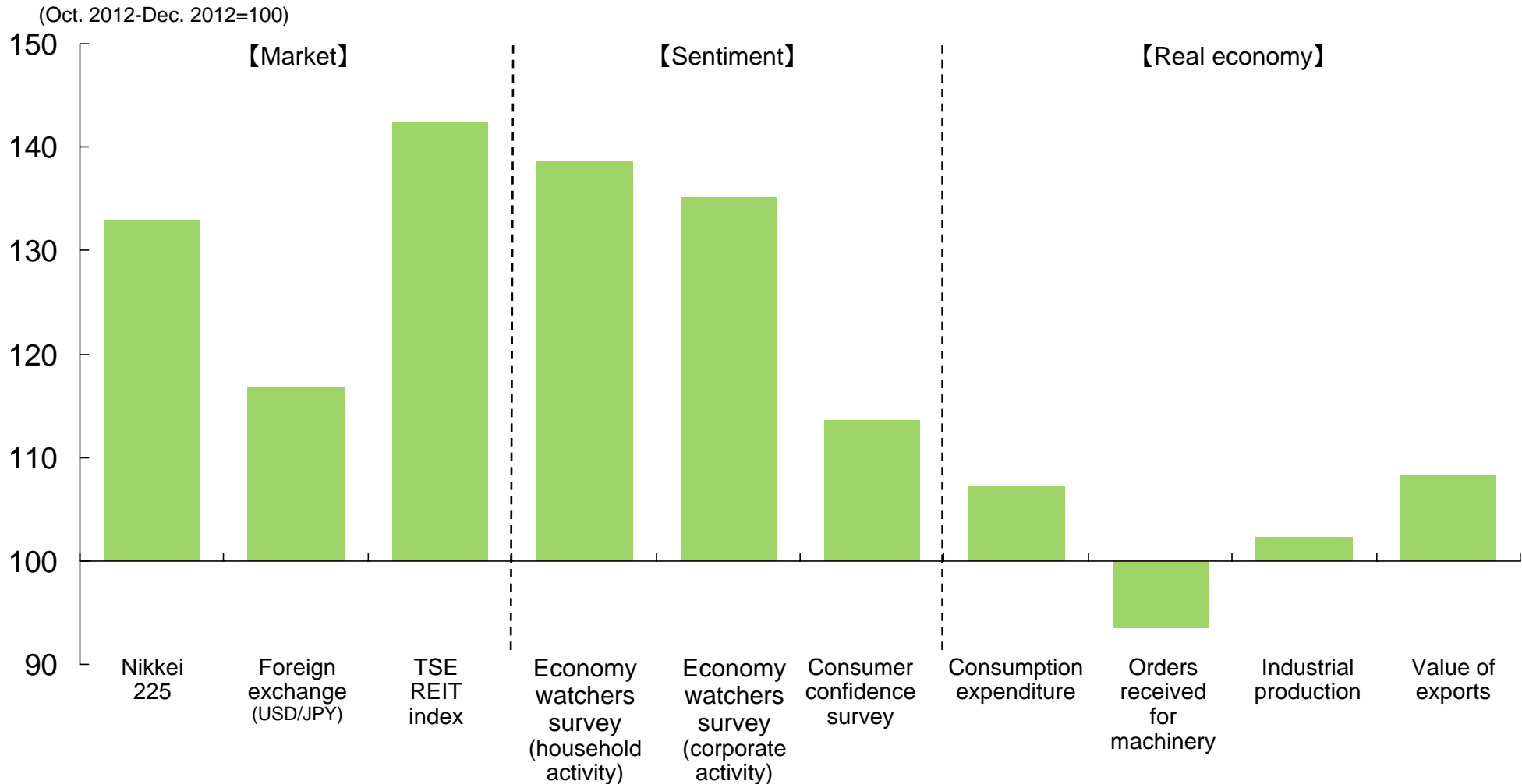


*1 Source: Cabinet office (Jan. 2013) *2 Source: IMF.Stat

II. Group strategy and business environment

3. Current Japanese economy (3) Economic trend

Changes in major economic and financial indicators



* Above indicates changes from Oct. 2012-Dec. 2012 average figures to recent figures. Recent figures are: Average price during Mar. 2013 for Nikke225, foreign exchange and TSE REIT index, results of Feb. 2013 for industrial production and results of Mar. 2013 for others

III. Business strategy

III. Business strategy

1. Management policy for FY3/2014

- Achieve the growth of SMFG through proactively contributing to the revitalization of Japanese economy
- Create new business models and challenge for “innovation” in order to make the leap forward

	Trends	Present	Strategic initiatives
Consumer banking	<ul style="list-style-type: none"> ● Acceleration on savings to investment ● Coming era of inheritance ● Advanced IT and network-society 	<ul style="list-style-type: none"> ● Established leading business model in financial consulting services for retail customers ● Developed a strong retail business platform by acquiring SMBC Nikko Securities 	<ul style="list-style-type: none"> ● Take advantage of shift from “<u>savings to investment</u>” ⇒ Bank-securities integration model ● Strengthen inheritance related business
Corporate banking	<ul style="list-style-type: none"> ● Expect to pull-out of deflation through “Abenomics”; recovery of financing needs ● Large corps: develop international business further ● Mid-sized corps and SMEs: tap into overseas market ● Corporate owners: business succession needs 	<ul style="list-style-type: none"> ● Promote management solution type business ● Business support for Mid-sized corps and SMEs ● Upgrade asset quality 	<ul style="list-style-type: none"> ● <u>Provide financing to support economic recovery of Japan</u> ● Strengthen capabilities to accommodate clients’ needs such as global expansion and business restructuring ● Initiatives to support growing industries
International	<ul style="list-style-type: none"> ● U.S. : economic recovery ● Europe: avoidance of further sovereign debt crisis ● Emerging markets including Asia: high growth, needs for upgrading infrastructure ● Increased presence of Japanese mega banks after global financial crisis 	<ul style="list-style-type: none"> ● Grow international business rapidly <ul style="list-style-type: none"> ▪ Overseas banking profit ratio: FY3/10:20%→FY3/13:30% 	<ul style="list-style-type: none"> ● Sustainably expand businesses with global top-tier companies and project finance, etc., leverage FHC status in the U.S. ● <u>Capture business opportunities in emerging markets including Asia</u> ⇒expand “Multi-Franchise strategy”

III. Business strategy

2. Consumer banking business (1) Our business model

Solid business infrastructure

- Maximize synergies between a mega-bank and a top-notch securities company in Japan

Mega-trends

Acceleration on savings to investment

- Japanese ISA

Coming era of inheritance

- Asset and business succession
- Asset transfer between generations

Advanced IT and network-society

Private banking/
upper affluent segment

Asset management
segment

Asset building segment
Mass segment

Present

Customized services

Since Jun. 2010

JV with Barclays

asset management,
testamentary trust,
apartment loans

Since Apr. 2010

Securities intermediary
businesses

Housing loans, card loans,
insurance products

Since Oct. 2012

"Bank and Trade"

Remote banking

Going forward

Integration of
bank and securities
businesses

Inheritance and
succession
business



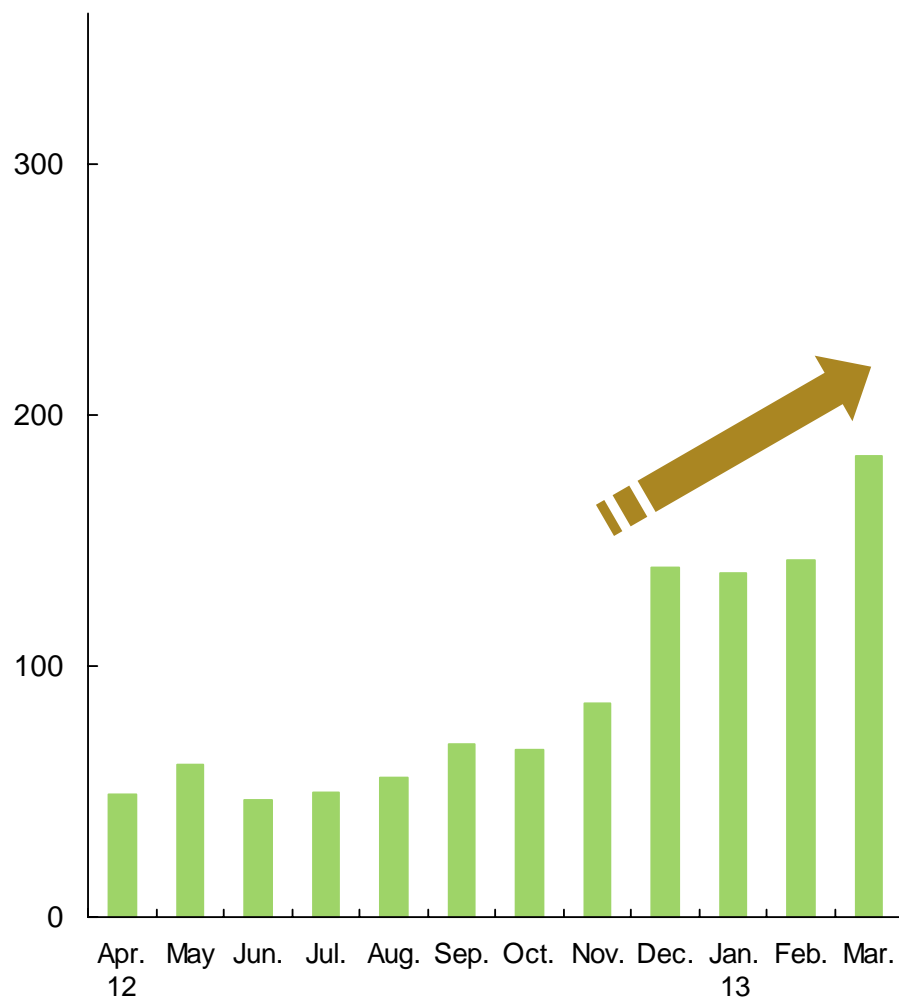
- AUM at SMBC: approx. JPY 70 trillion
- No. of consultants: approx. 5,000
- No. of marketing channels: approx. 600

III. Business strategy

2. Consumer banking business (2) Sales of investment trusts during FY3/2013

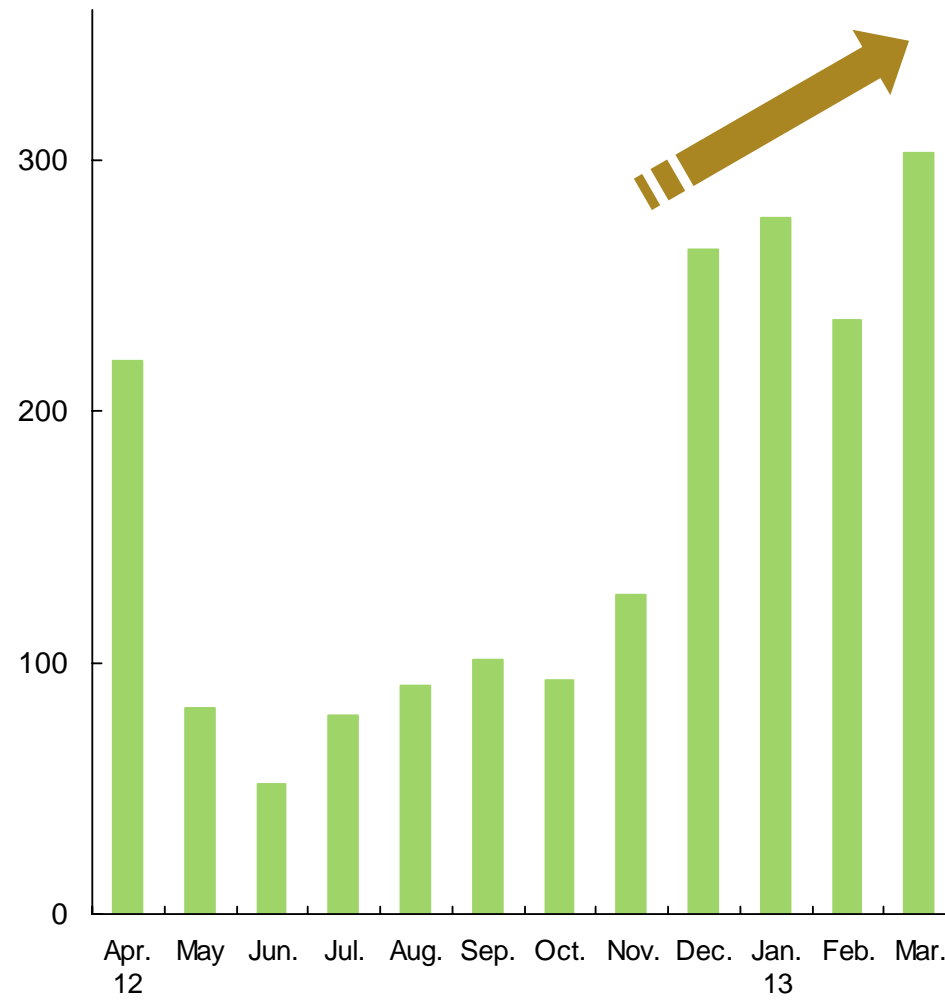
SMBC (Consumer Banking Unit)

(JPY bn)



SMBC Nikko Securities (Retail)

(JPY bn)

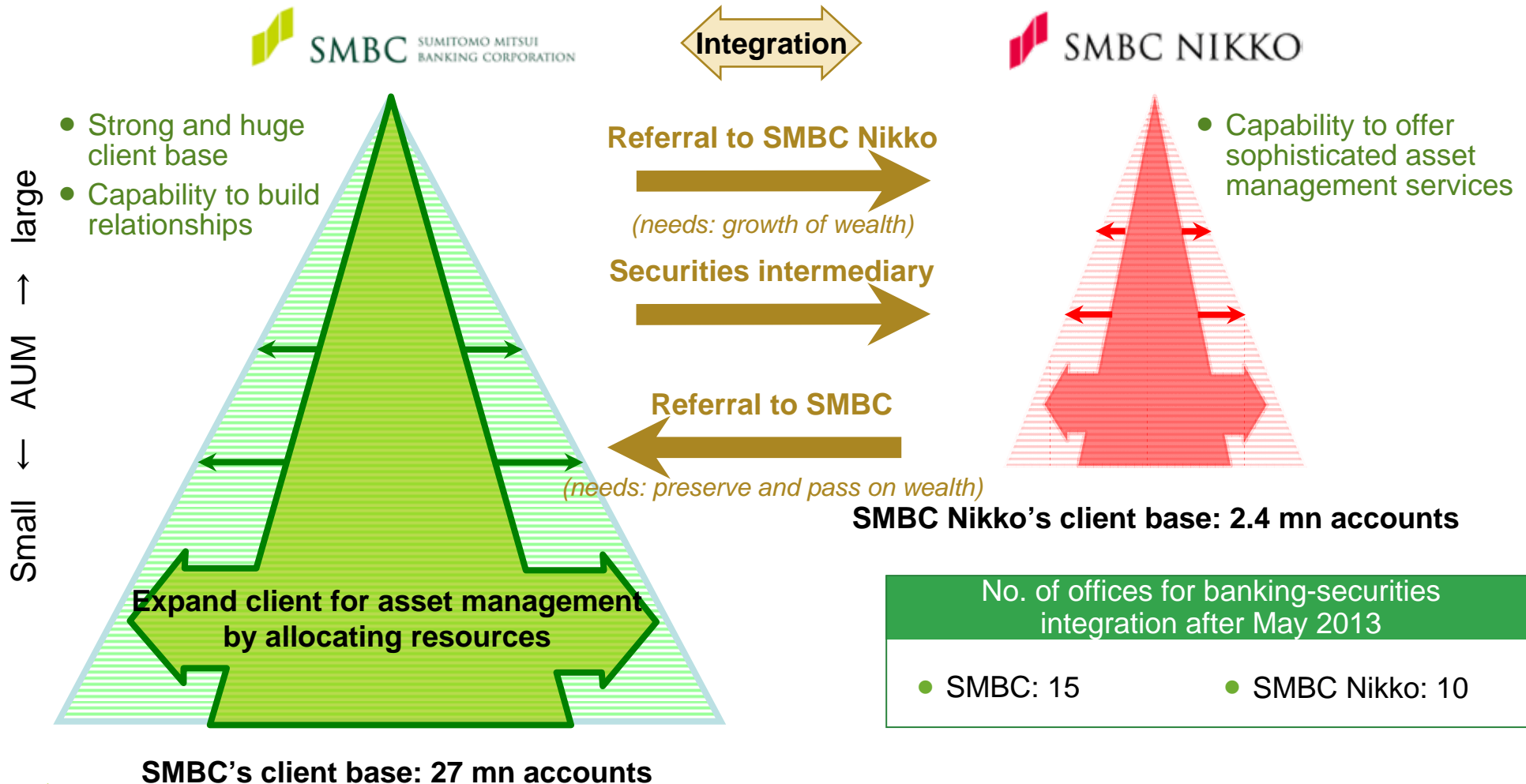


III. Business strategy

2. Consumer banking business (3) Bank-securities integration model

Bank-securities integration model

- SMBC and SMBC Nikko Securities will offer together best service for clients
- By referring SMBC's clients to SMBC Nikko Securities, SMBC will allocate more human resources to expand clients for asset management



III. Business strategy

2. Consumer banking business (4) Inheritance and succession related businesses

Initiatives in FY3/14

- Strengthen inheritance-related services by assigning specialized advisors
- Enhance function of head office for assisting front offices; concentrate inheritance-related business function to Private Advisory Dept., increase number of officers in charge from 100 to 170

Initiatives already implemented

- Testamentary trust business
 - Launched in Feb. 2005
- Inheritance settlement business
 - Launched in Apr. 2006 (mainly refer to partner trust banks)
 - SMBC commenced services in Feb. 2013

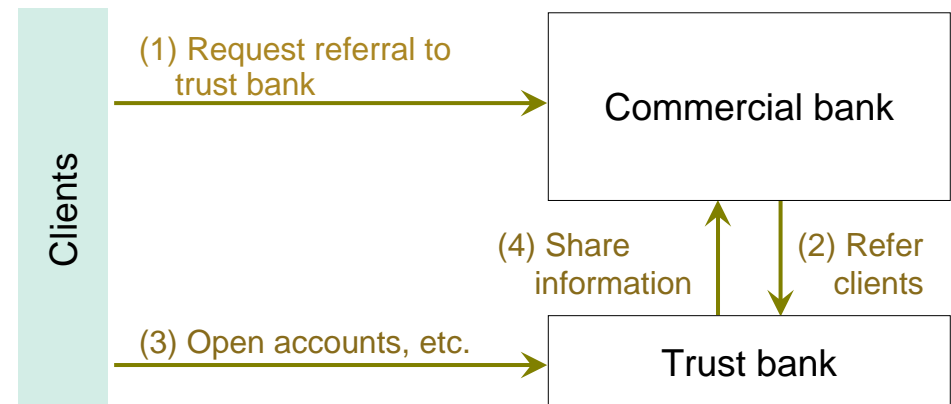
Marketing structure

- SMBC provides one-stop service including capturing potential demands, providing consultation and promoting cross-selling, by utilizing its trust business function

SMBC's inheritance-related consulting

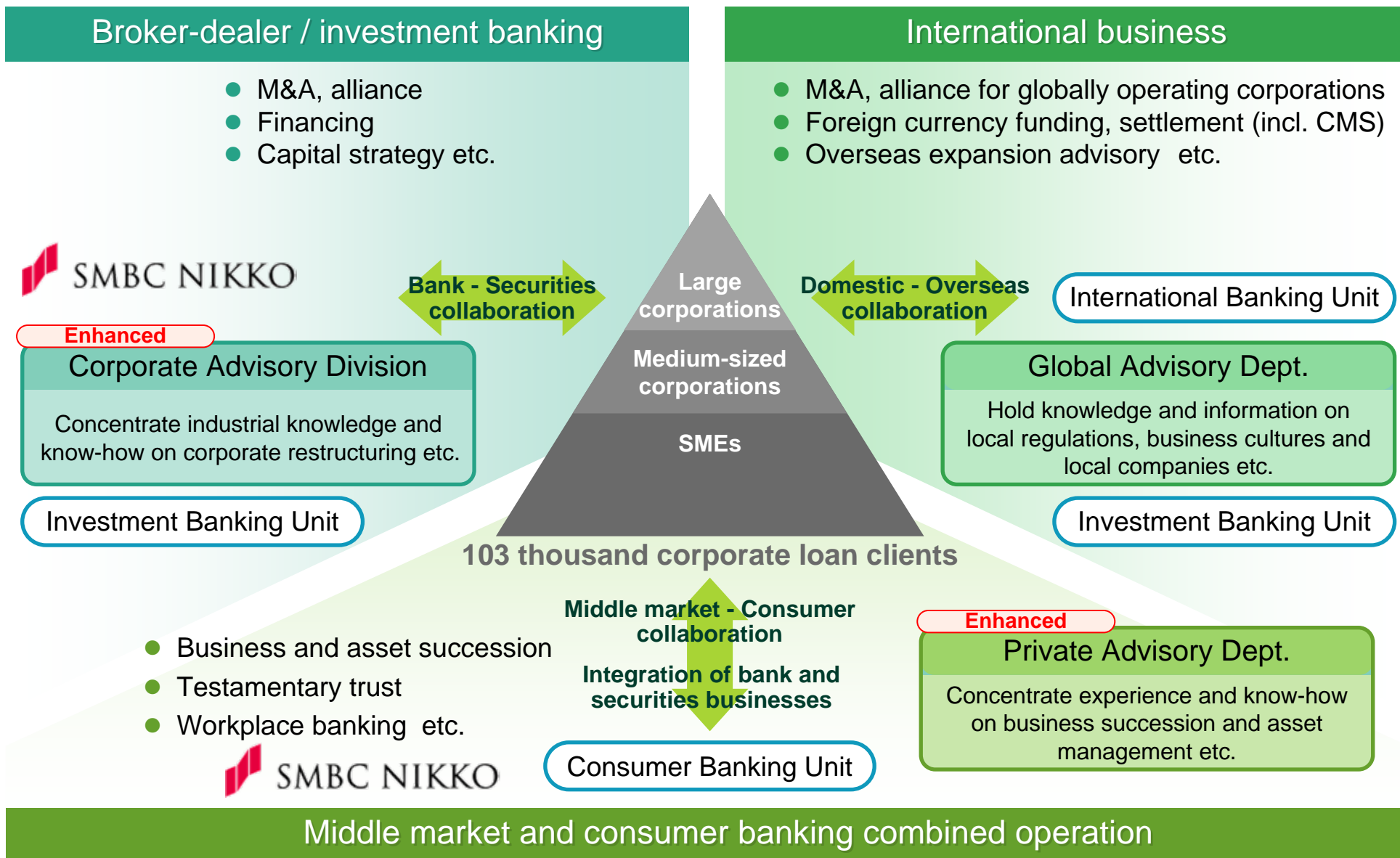


Reference: a bank with a trust subsidiary



III. Business strategy

3. Corporate banking business (1) Our business model

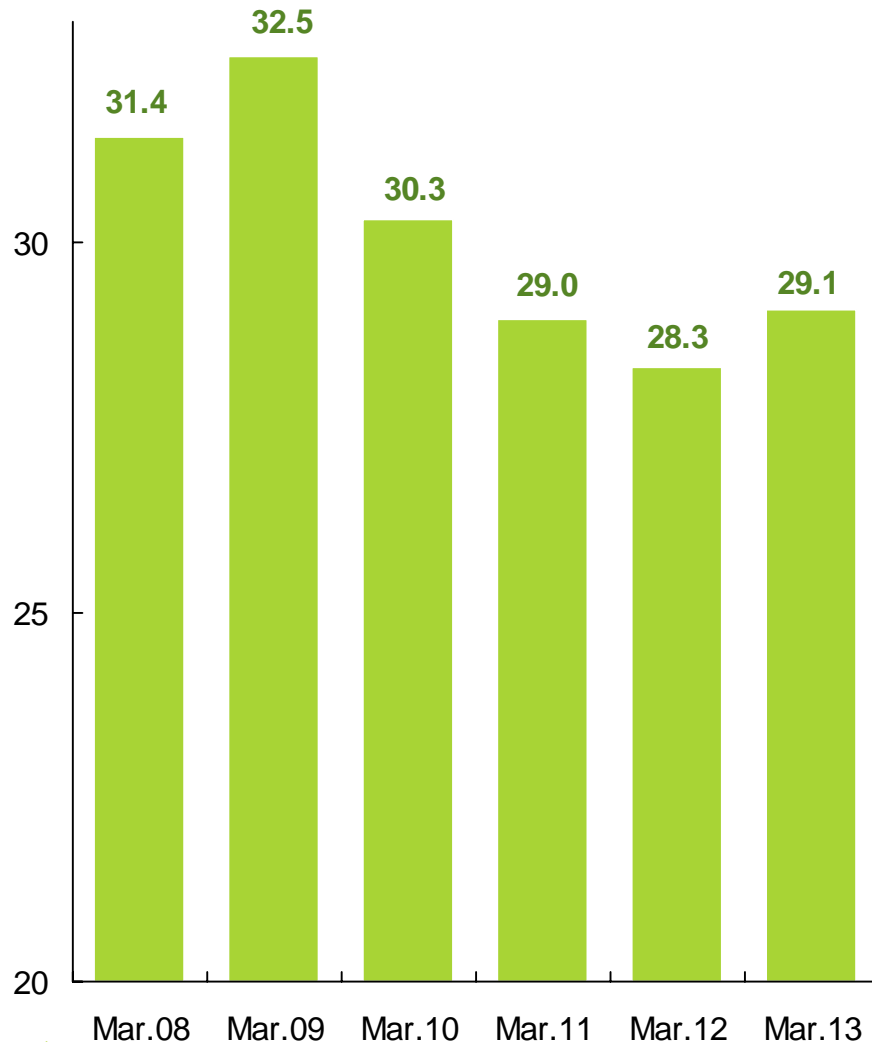


III. Business strategy

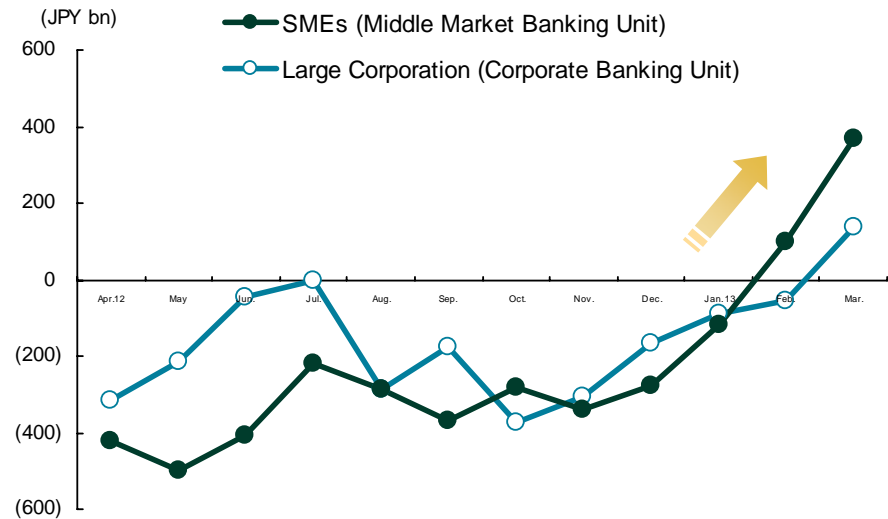
3. Corporate banking business (2) Lending and fee business

Loan balance of SMEs+Large Corporations*

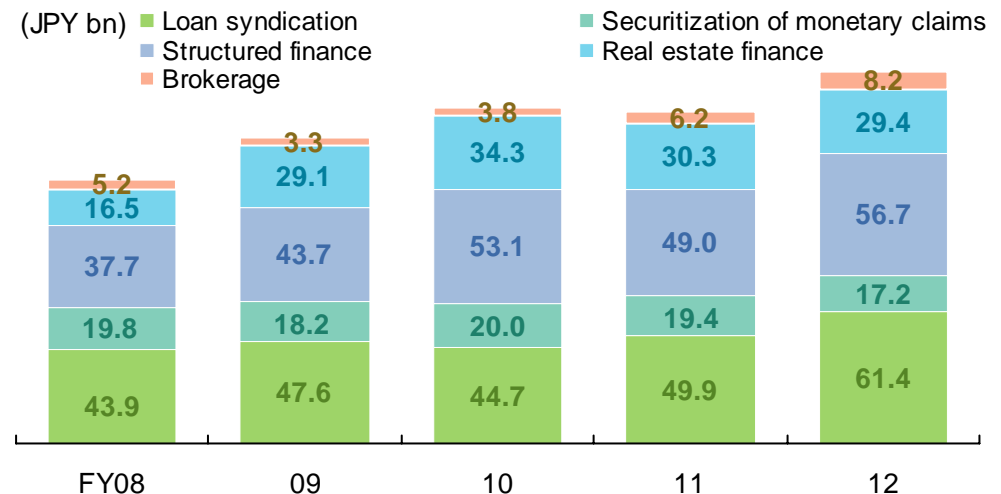
(JPY tn)



YoY comparison of average loan balance (SMEs and Large corporations)



Investment banking business related profit



III. Business strategy

3. Corporate banking business (3)-1 Initiatives for strengthening lending business

Industry trends and perception of economy

Large corps	Auto manufacture	✓ Increase number of domestic and U.S. production than planned
	Heavy machinery manufacture	✓ Expand production capacity of robotics for semiconductor manufacturing
	Real estate	✓ Wealth effect related to both newly built and existing condos becoming apparent
Mid-sized corps and SMEs	Department store	✓ Increase sale of high-end products such as arts and jewelries in accordance with stock price rise
	Foods seller	✓ Consumer sentiment for non-durable goods has not recovered yet. Hope to raise sales price half or one year later. Purchase price has risen due to yen depreciation
	Parts supplier	✓ Receiving estimate requests, but will take a while for actual orders
	Transportation	✓ Showing recovery for cargo, feels economy is still low due to an increase in fuel cost

Financial support for positive changes

Approach for expanding loan portfolio

Upgrade framework	<ul style="list-style-type: none"> Enhance advisory functions mainly for globally operating large corporations Concentrate experienced staff with expert knowledge of industries to "Corporate Advisory Division". Also deploy officers overseas Concentrate front office assisting function to newly established "Strategic Corporate Business Department" for mid-sized corporations and SMEs Established department specialized for global supply chain finance Promote Middle market-Consumer banking combined operation (details shown on next page)
Business promotion	<ul style="list-style-type: none"> Approaches to growth industries (details shown on next page) Utilize BOJ's loan support program Apply flexible interest rate policy to compete with other banks and to attract new customers
Credit monitoring	<ul style="list-style-type: none"> Thoroughly evaluate each company's individual credit risk notwithstanding industry trends Credit assessment reflecting recent improvement of financial performance Simplify credit monitoring process

III. Business strategy

3. Corporate banking business (3)-2 Initiatives for strengthening lending business

Approaches to growth industry

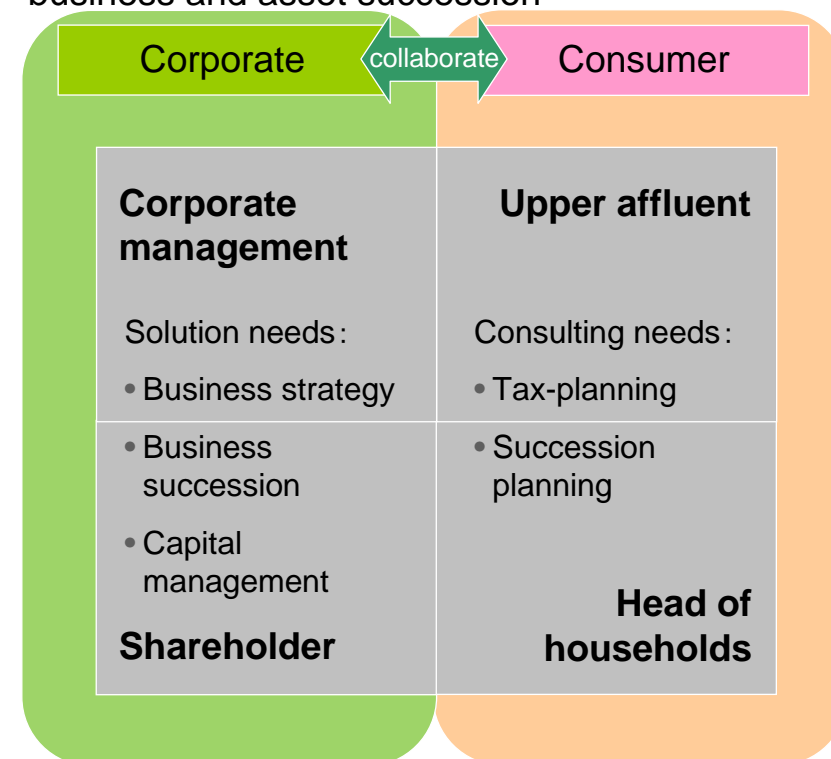
Agriculture	<ul style="list-style-type: none"> ● Create equity fund ● Consulting business as “Team SMFG” ● Support clients’ global expansion
Health care, nursing care	<ul style="list-style-type: none"> ● Equity fund for regenerative medicine and medical instruments ● Loans to nursing homes
Environment・Water	<ul style="list-style-type: none"> ● Overseas infrastructure finance
Renewable energy	<ul style="list-style-type: none"> ● Loans to solar energy projects ● Commitment as “Team SMFG”

Assessment loan

- Lending based on evaluation of “environmental friendliness”, “sustainable building”, “food / agriculture” and “business continuity”
- Evaluation of approach to ESG(Environment, society, governance), information disclosure in integrated reporting, etc.
- Launched assessment loans globally:
First contract in Malaysia in FY2012

Middle market and consumer banking combined operation

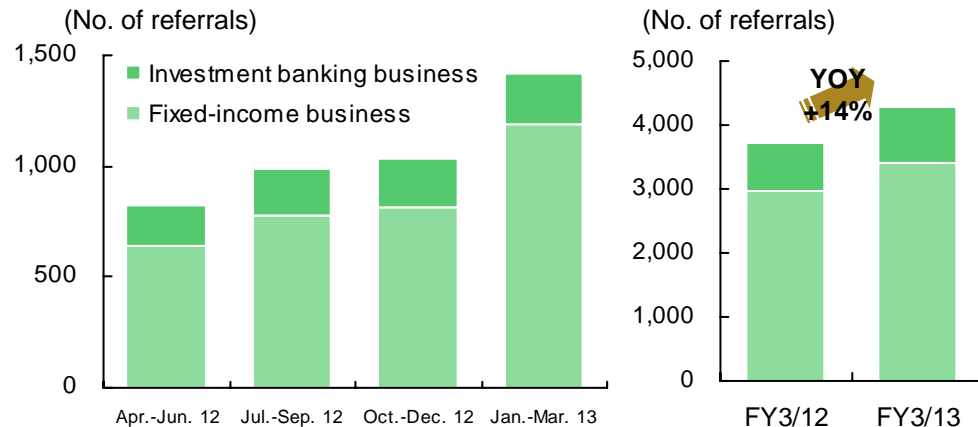
- Concentrate business and asset succession, and testamentary trust related function to Private Advisory Dept.
- Expand number of branches which support business and asset succession



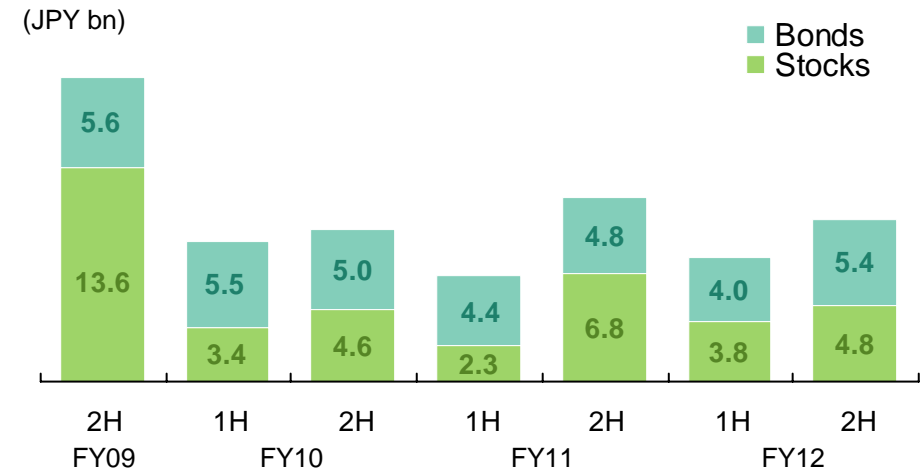
III. Business strategy

3. Corporate banking business (4) Synergies between SMBC and SMBC Nikko

Number of referrals from SMBC to SMBC Nikko



SMBC Nikko's underwriting commissions



League tables (Apr. 2012 - Mar. 2013, SMBC Nikko)

	Rank	Mkt. share
Global equity & equity-related (book runner, underwriting amount)*1	#4	11.9%
JPY denominated bonds (lead manager, underwriting amount)*2	#5	11.1%
Financial advisor (M&A, transaction volume)*3	#4	17.8%
Financial advisor (M&A, No. of deals)*3	#5	2.6%

Topics at SMBC Nikko

- Commenced Japanese stock brokerage and M&A advisory business in Singapore in Oct. 2012
- Gained #2 in analyst ranking by brokers*4
- Ranked in #5 in Institutional Investor magazine "The 2013 All-Japan Research Team" by corporations

*1 Source: SMBC Nikko, based on data from Thomson Reuters. Japanese corporate related only

*2 Source: SMBC Nikko. Consisting of corporate bonds, FILP agency bonds, municipality bonds, and samurai bonds

*3 Source: Thomson Reuters. Japanese corporate related only. Excluding real estate deals

*4 Source: Nikkei Veritas (Mar. 24, 2013)

III. Business strategy

Ref: Performance of SMBC Nikko Securities

SMBC Nikko Securities (consolidated) result

(JPY bn)	FY3/12	FY3/13	YOY change
Net operating revenue	228.8	274.7	+45.9
SG&A expenses	(185.1)	(200.2)	(15.1)
Ordinary income	44.5	75.7	+31.2
Net income^{*1}	19.4	45.7	+26.3

(JPY bn)	FY3/13 1Q	FY3/13 2Q	FY3/13 3Q	FY3/13 4Q
Net operating revenue	55.2	53.2	66.5	99.6
SG&A expenses	(45.8)	(45.9)	(49.2)	(59.2)
Ordinary income	9.8	7.4	17.4	40.9
Net income	3.9	2.7	12.2	26.8

*1 Of which JPY (4.8) bn resulted from changes in corporate income tax rate in FY3/2012 *2 Managerial accounting basis. Total of SMBC Nikko Securities non-consolidated and its overseas operations (London, New York, Hong Kong, and Singapore)

New mid-term management plan (FY3/14-FY3/16)

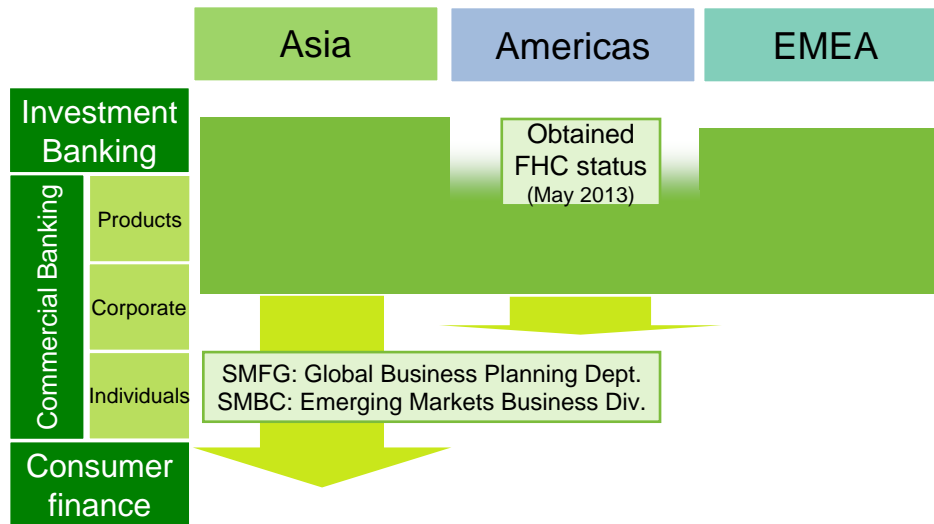
- Announced mid-term management plan in Apr. 2013
 - From “developing” stage to “growth” stage
 - Basic concepts : “Speed & Scale”
 - Rapidly and fundamentally improve presence in financial and securities markets globally by promoting growth strategy
 - Earnings goals for FY3/16^{*2}
 - Net operating revenue: JPY 330 bn
 - Ordinary income: JPY 100 bn
 - Initiatives
 - Retail: Expand client base by actively injecting resources and enhancing bank-securities integration
 - Wholesale: Establish a competitive front office structure, improve earnings from sales and trading business by aggressively allocating resources, selectively and effectively expand global business by leveraging SMBC’s marketing base and alliances
 - Others: Create a more sophisticated management infrastructure, strategically inject new system and human resources, accelerate employee training

Achieved highest net operating revenue, ordinary income and net income in 4Q/FY2012 on a quarterly basis since joining SMFG group

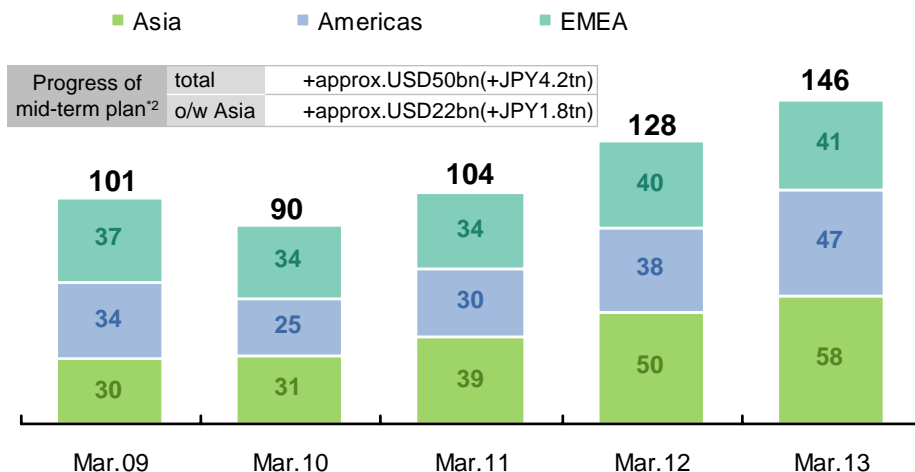
III. Business strategy

4. International business (1) Overview

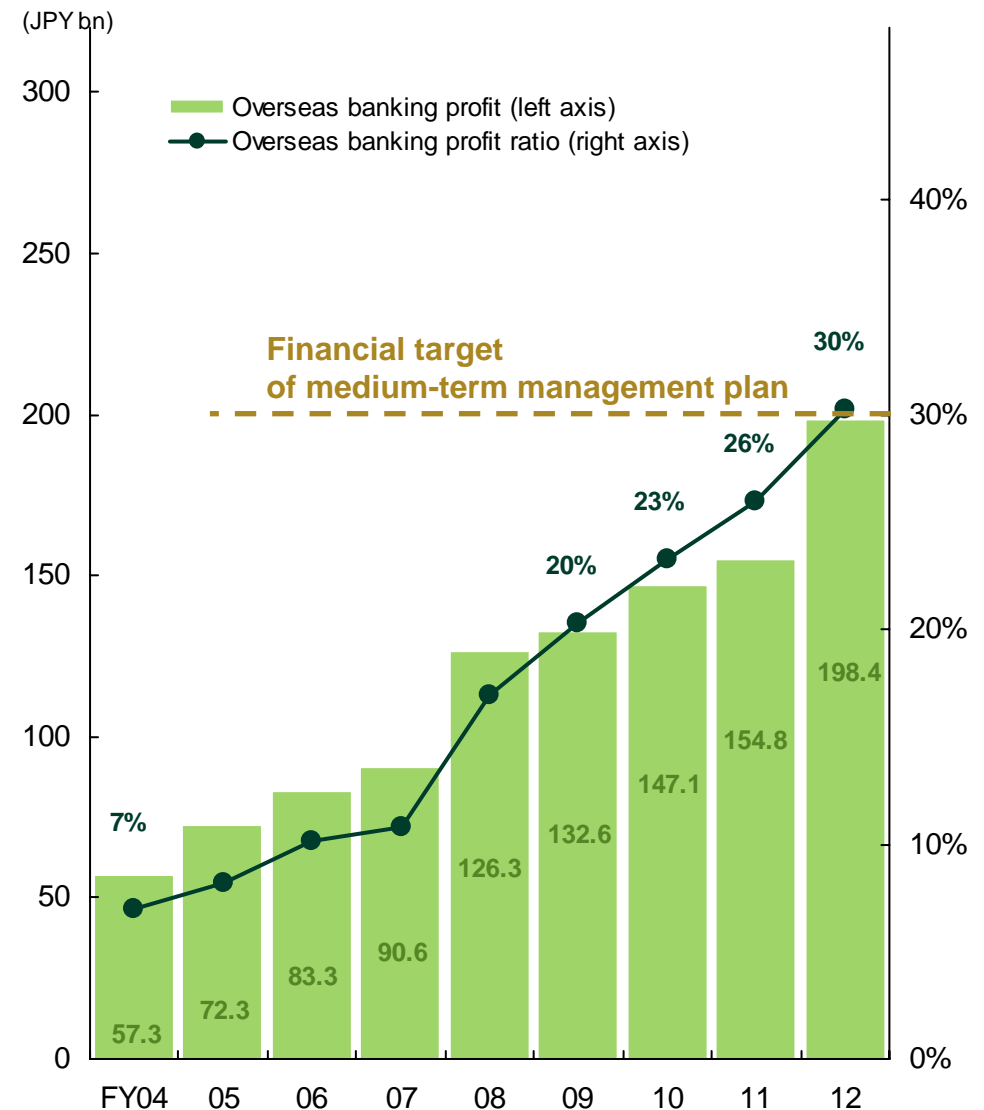
Our international business



Overseas loan balance^{*1}



Overseas banking profit and ratio (before provisioning)^{*3}



^{*1} Managerial accounting basis (exchanged at respective term-end fx rates). Sum of SMBC, SMBC Europe and SMBC (China)

^{*2} Increase of sum of loans, trading notes and securities during FY3/12 to FY3/13. Based on the medium-term management plan assumed exchange rate of USD1=JPY85 since FY3/12

^{*3} Managerial accounting basis. Sum of SMBC and major overseas subsidiary banks. Based on the medium-term management plan assumed exchange rate of USD1=JPY85 since FY3/12

III. Business strategy

4. International business (2) Our Advantages

Project Finance

- SMBC was awarded "Global Bank of the Year 2012" by *Project Finance International*, the leading publication of global project finance industry
- Team with high expertise committed to obtain mandates
- Leverage relationships with customers and ECAs to work on transactions with both Japanese and non-Japanese sponsors



League tables (Jan. – Dec. 2012)*1

	Global	Asia*2	Japan
Project Finance	#3	#5	
Loan Syndication	#7	#1	#2

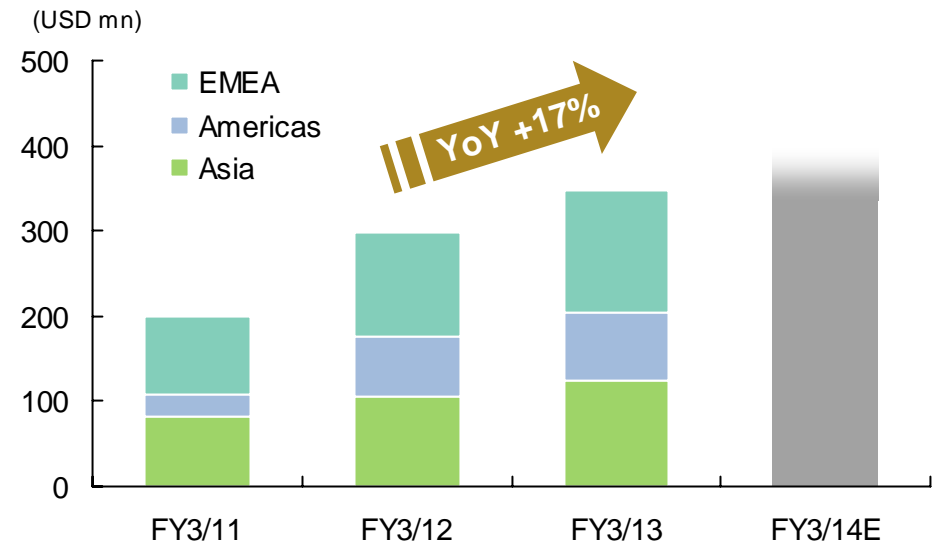
*1 Source: Thomson Reuters (Mandated Arrangers)

*2 Project finance: Asia Pacific

Loan syndication: Asia (excl. Japan), all international currency syndicated and club loans

*3 Source: "ASIAMONEY" cash management poll 2011 (published Aug. 2012)

Trade finance related profit



Cash management service

Cash management providers' ranking (in Asia Pacific)*3

Cash management service (CMS) as voted by corporations	Large corporations	4th	#1 among Japanese banks for seven consecutive years	CMS in Asia Aim to be one of the top three global banks
	Medium corporations	4th		
	Small corporations	4th		
JPY CMS as voted by financial institutions		1st	#1 for seven consecutive years	

III. Business strategy

4. International business (3) Growth Industry Cluster Dept.

Growth Industry Cluster Dept.

Renewable energy	Solar energy, wind energy, etc.
Water	Water supply and sewerage, recycled water, desalination, etc.
Environment	Eco-city development, energy-saving facilities, etc.
Natural resources	Coal, natural gas, etc.
Healthcare	Medical, nursing, etc.
Agriculture	Global expansion, etc.

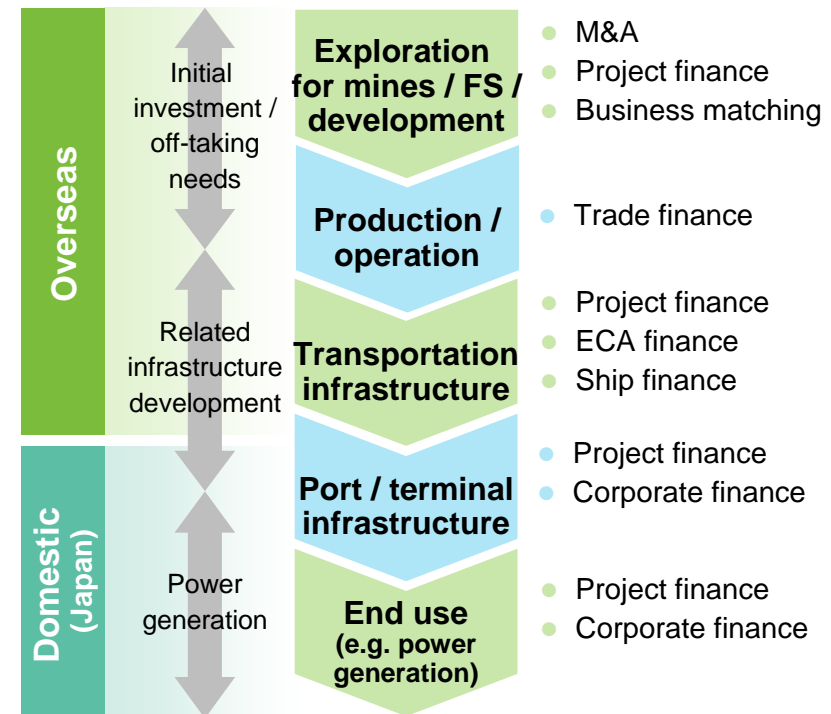
Example Approaches for emerging countries

Support growth of emerging countries, including Asia by leading a consortium of Japanese corporations with technological strength and municipalities

- India: Delhi-Mumbai Industrial Corridor
- Vietnam: Water, urban development, power
- Malaysia: Eco-city project
- Thailand: Upgrade industrial park
- Mongolia: Refurbish and construct electricity transmission and distribution systems
- China: Healthcare, eco-city project

Example

Approaches for energy related business



SMBC	Relationship management Financing
日本総研	Consulting
SMBC NIKKO	M&A advisory Equity / bond underwriting
SMFG	Finance lease Operating lease

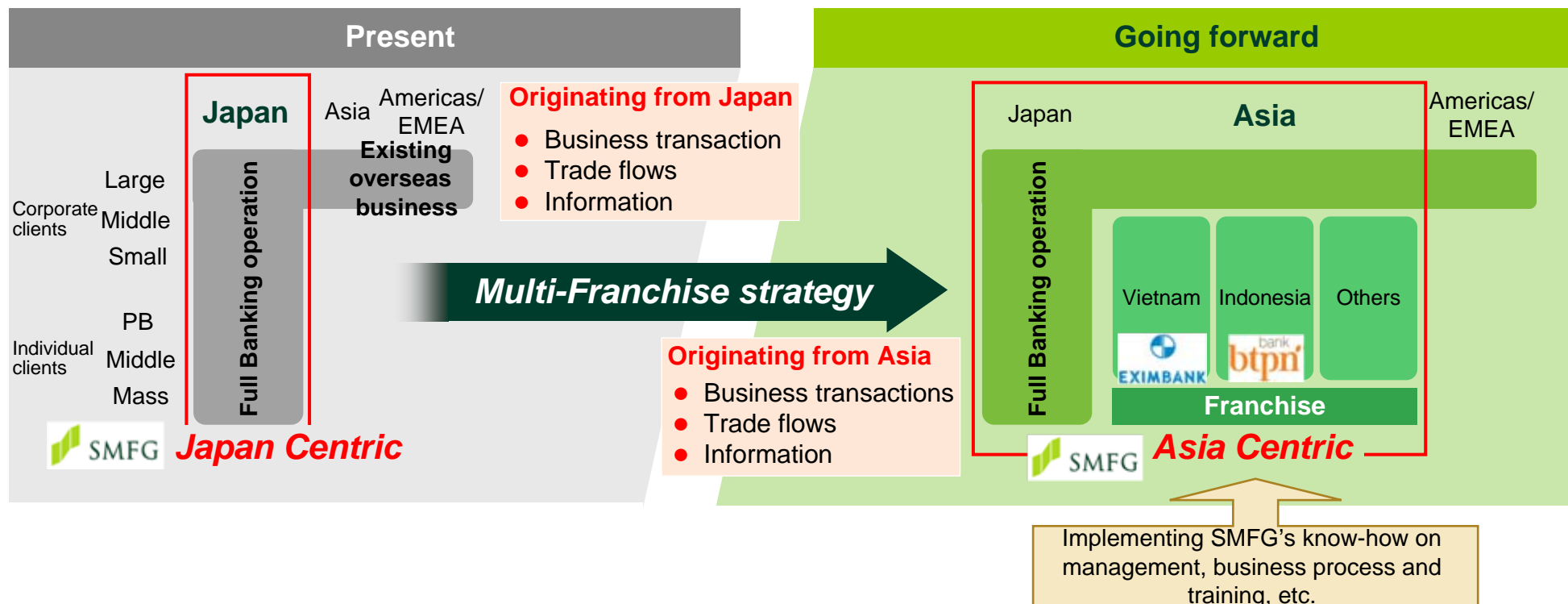
III. Business strategy

4. International business (4)-1 Multi-Franchise strategy

● From “Japan Centric” to “Asia Centric”

We aim to grow from a mega-bank based in Japan to the globally active diversified financial services group with Asia as our home market

- In April 2013, SMFG established Global Business Planning Department, and SMBC established Emerging Markets Business Division



III. Business strategy

4. International business (4)-2 Investment in Bank Tabungan Pensiunan Nasional Tbk PT

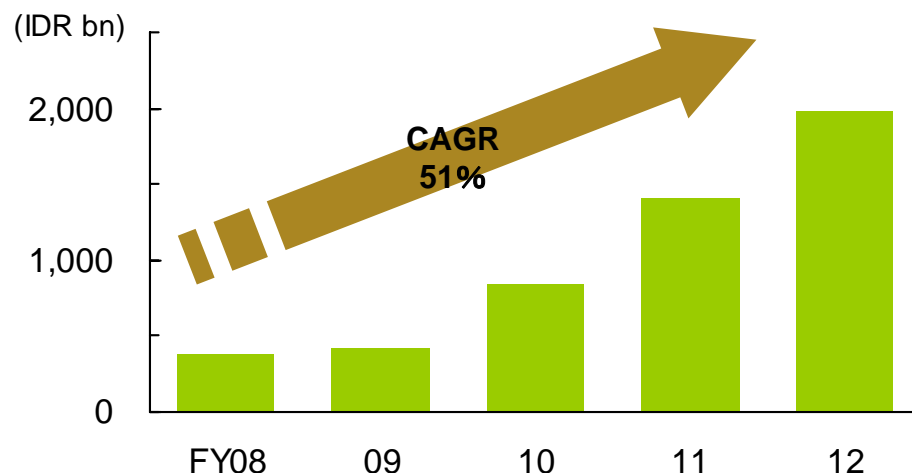
Investment overview

- Investment amount: Approx. USD 1.5 bn (approx. JPY 150 bn) for 40% stake. As of May 10, approx. JPY 92 bn for 24.26% stake, IDR 6,500 per share
- Paid in US dollar; funded within ALM operation
- Share holding: 24.26% as of May 10, 2013 held by SMBC
SMBC plans to hold 40% stake subject to the approval by regulatory authorities. BTPN will be treated as an affiliated company
- Expect to achieve RORA of 1.0% or higher

Overview of BTPN

- Established in 1958 to serve retired military personnel through pension banking services. TPG Nusantara acquired a 71.6% stake in 2008
- Ranked 16th by asset size and 7th by market cap. among Indonesian banks
- Listing in Indonesian Stock Exchange: IDX ticker "BTPN"
Market Cap. as of May 8, 2013: IDR 33,289.6 bn
(approx. JPY 326 bn)
- Rating by Fitch Ratings: AA- (national scale rating)

BTPN's consolidated net income



*Exchange rate as of May 8, 2013; 1,000 IDR=JPY 10.2, USD 0.1

Asset



Pension banking

Loan to pension recipients



Micro-financing

Loans to small shop owners

Liability



Deposit taking

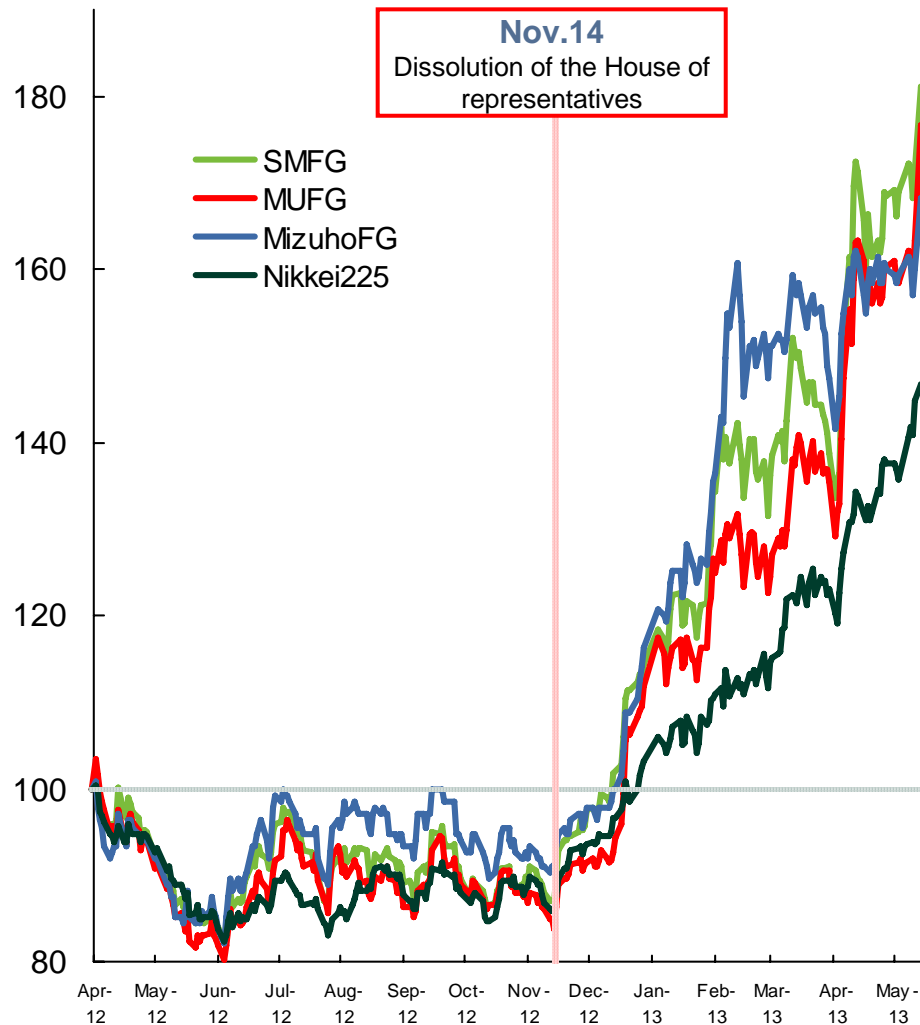
Focus on wealthy customers

Appendix

Stock prices of mega-banks and JGB yields

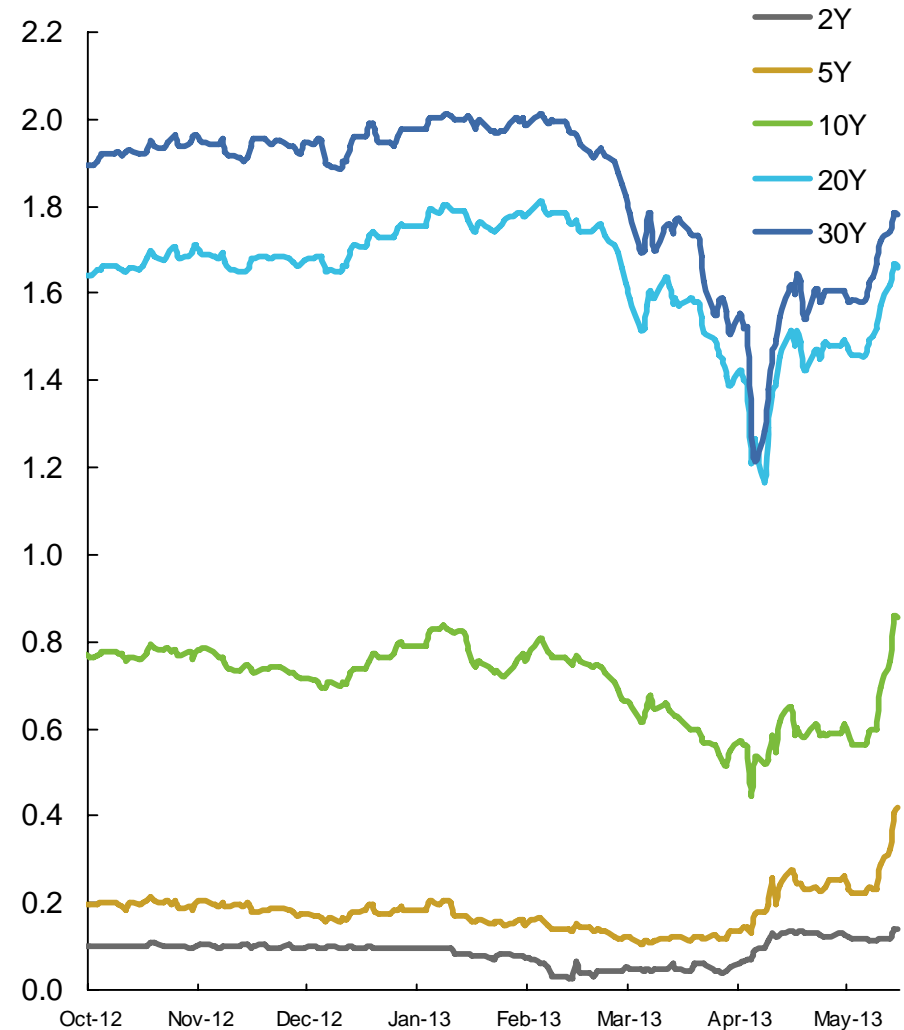
Stock price of Japanese mega-banks

(End of Mar. 2012=100)



JGB yields

(%)

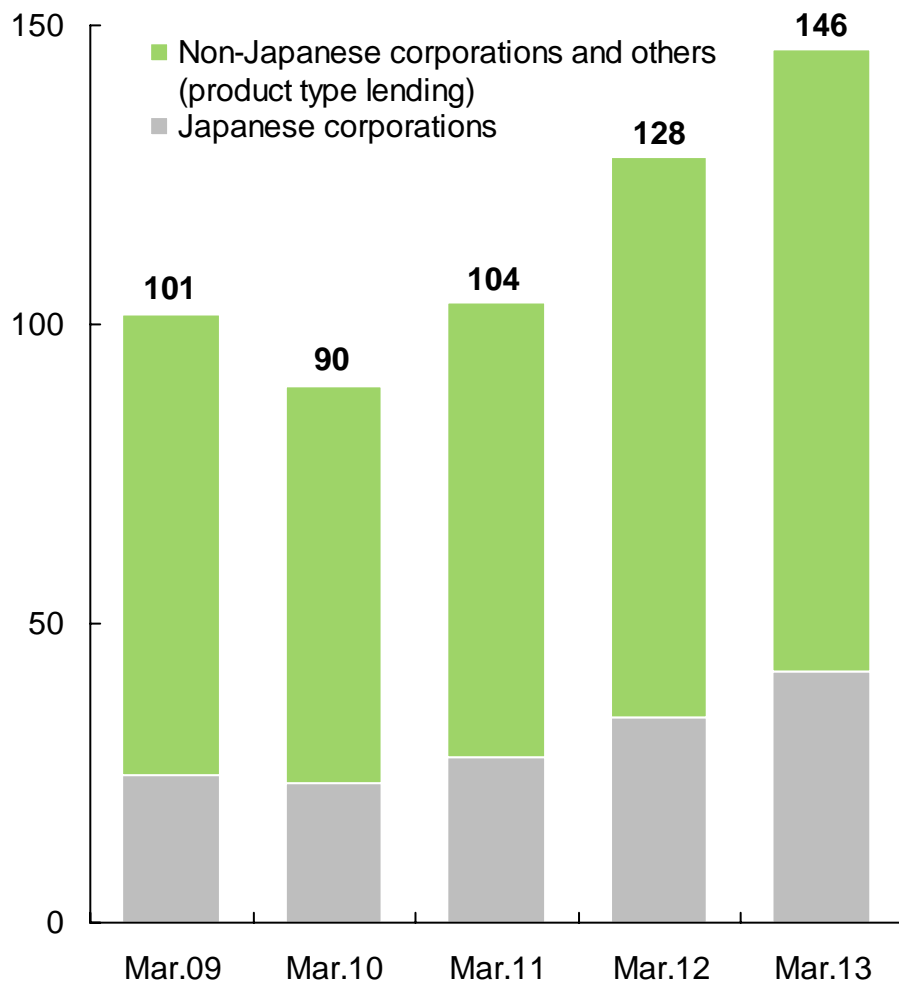


Overseas loan balance classified by borrower type

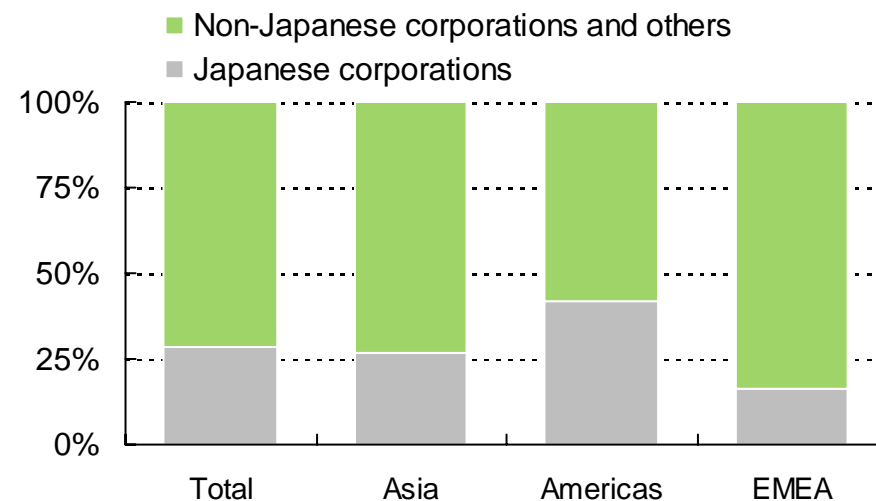
(Geographic classification based on booking office)*

Total

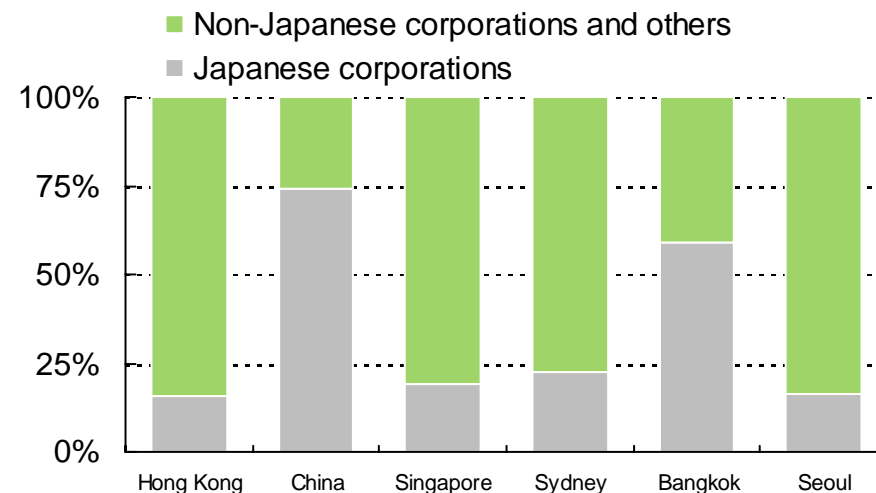
(USD bn)



By region (Mar. 2013)



Major marketing channels in Asia (Mar. 2013)

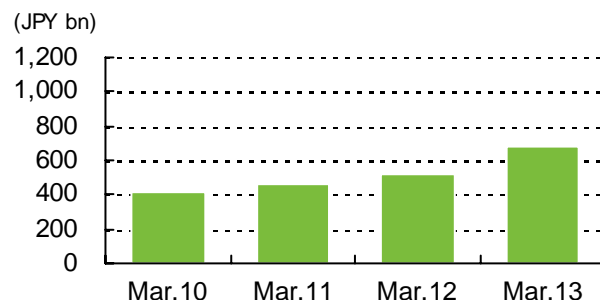


* Managerial accounting basis. Sum of SMBC, SMBC Europe and SMBC (China).

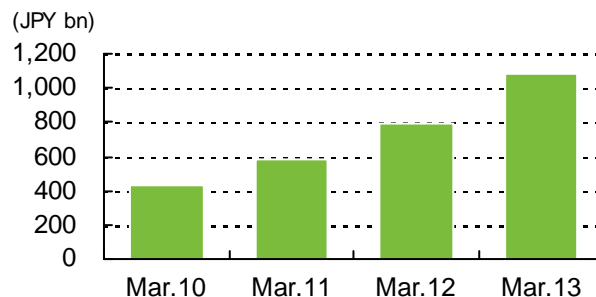
Loan balance in Asian countries

(Geographic classification based on borrowers' domicile)*

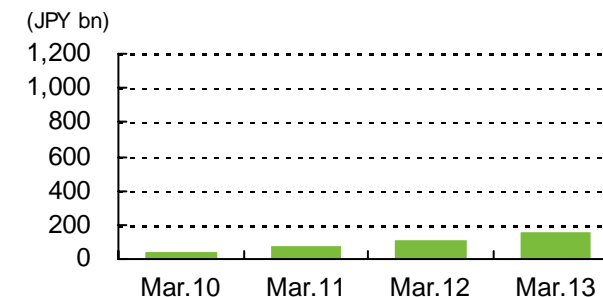
China



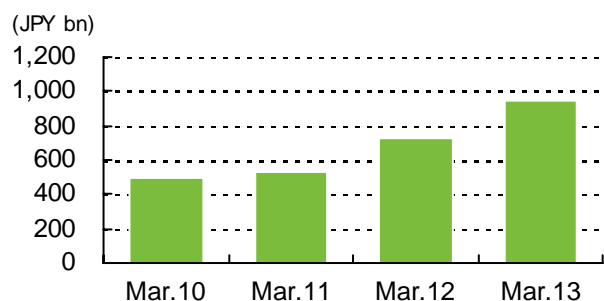
Hong Kong



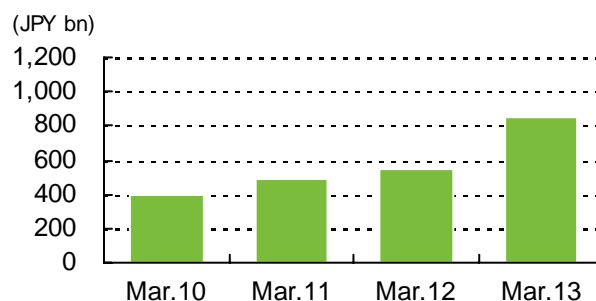
Taiwan



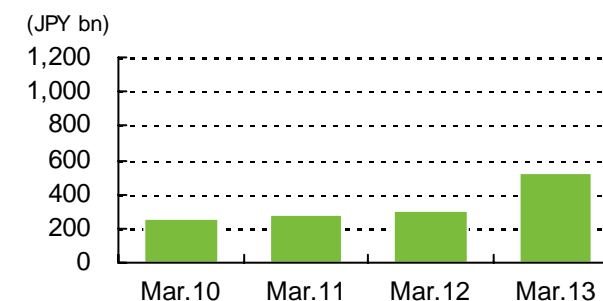
Singapore



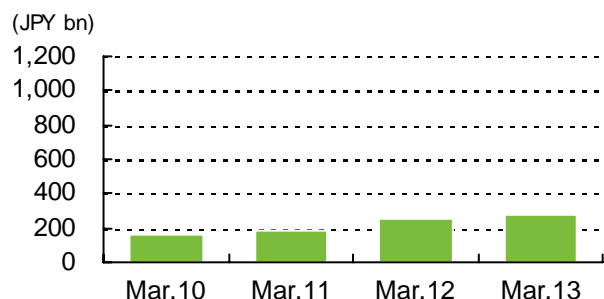
Australia



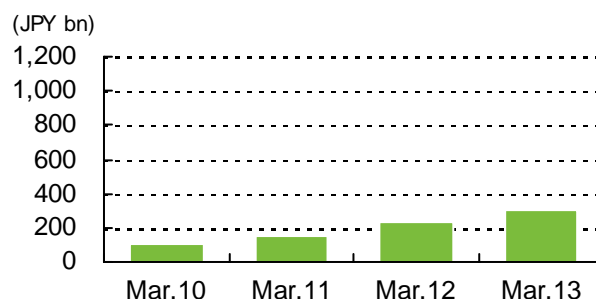
Thailand



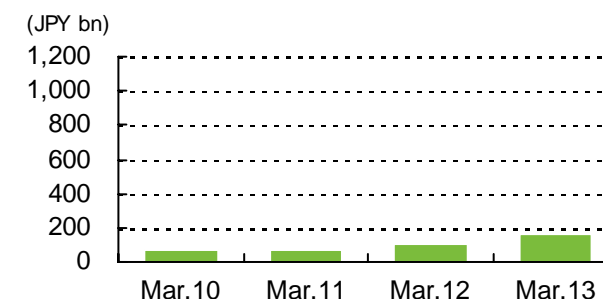
Korea



India



Indonesia



* Sum of SMBC, SMBCE and SMBC (China). Loan balances as of Mar. 31, 2013 and before are exchanged to JPY from each country's local currency at the exchange rate of Mar. 31, 2013

Strategic partners in Asia*

	Strategic partner	Relationship since	Outline of alliance / cooperation
China	Bank of China	2000	Renminbi business cooperation
	Industrial and Commercial bank of China	1995	Ship finance business in China
	Agricultural Bank of China	2002	Funding activities in China
Korea	Kookmin Bank	2007	Mutual introduction of customers inside/outside Japan/Korea, Loan syndication, funding activities Invested in KB Financial Group, the holding company, in 2008
Taiwan	First Commercial Bank	2007	Local currency funding in China and Taiwan, usage of channel network
Hong Kong	Bank of East Asia	2008	Mutual introduction of customers in China and Hong Kong, credit card business, funding activities Invested in 2009 and 2012
Philippines	Metrobank	1995	Introduction of customers in Philippines, local currency transaction, usage of channel network. Established Japan desk in 2007
Vietnam	Vietnam Eximbank	2007	Retail and SME banking business in Vietnam Invested in 2008. Entered into technical service agreement in 2009
Malaysia	RHB Bank	1974	Local currency funding in Malaysia, transaction services, Islamic finance
Indonesia	Bank Tabungan Pensiunan Nasional	2013	Invested in 2013. Retail banking business in Indonesia
	Bank Central Asia	2009	Local currency funding in Indonesia, transaction services including CMS
Cambodia	ACLEDA Bank	2012	Usage of channel network in Cambodia, transaction services, trade finance
India	Kotak Mahindra Bank	2010	Asset management business in India such as establishing infrastructure fund, securities and investment banking business. Invested in 2010

* Boldfaced banks: SMBC has equity stake

Financial results of Bank Tabungan Pensiunan Nasional Tbk PT

B/S and P/L

B/S (bn IDR)	Dec.12	Mar.13		Dec.12	Mar.13
Loans	38,844	41,098	Customer deposits	45,073	46,616
o/w Pension	28,046	28,865	Other liabilities	6,283	7,728
o/w Micro finance	9,006	9,578	Total liabilities	51,356	54,344
Other assets	20,246	21,553	Equity	7,734	8,307
Total assets	59,090	62,651	Total liabilities and Equity	59,090	62,651

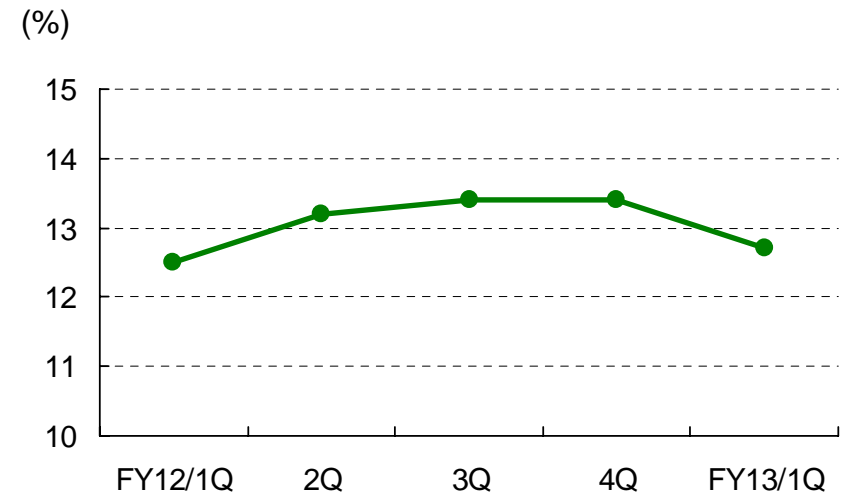
P/L (bn IDR)	FY10	FY11	FY12	FY13/1Q	YoY
Net interest income	3,539	4,636	6,071	1,664	+26%
Fee income	135	191	283	61	+7%
Operating income	3,674	4,827	6,354	1,726	+25%
Operating expense	(2,159)	(2,591)	(3,411)	(874)	+23%
Loan loss provision	(369)	(440)	(455)	(131)	+18%
Net profit before tax	1,127	1,783	2,485	719	+30%
Net profit after tax	837	1,400	1,979	573	+30%

(%)	FY10	FY11	FY12	FY13/1Q*
ROE	32.5	28.9	29.3	28.2
Capital adequacy ratio	23.4	20.5	21.5	22.8

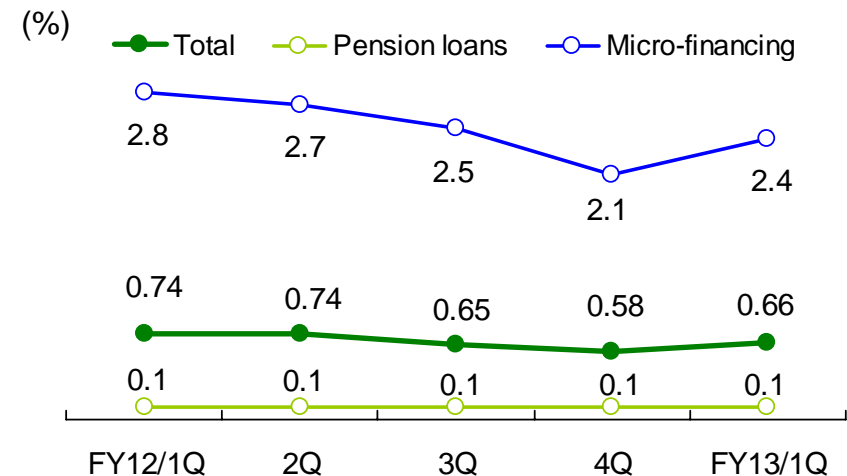
*Annualized

*Exchange rate as of May 8, 2013; 1,000 IDR=JPY 10.2, USD 0.1

Net interest margin



NPL ratio by business



SMBC Aviation Capital

FY3/2013 performance

Key financial information during Jun. 2012- Mar. 2013

(USD mn)

Total revenue*1	576
Net income	132
Aircraft assets*2	7,288
Net assets*2	1,078

- Merged existent aircraft leasing business(※) into SMBC Aviation Capital in March 2013
(※) SMFL Aircraft Capital Corporation B.V.(Netherlands), SMFL Aircraft Capital Japan Co., Ltd. (Japan) and Sumisho Aircraft Asset Management B.V.(Netherlands)

Initiatives

- Realize “One Stop Shop” structure among three shareholders in order to meet various needs of the aircraft industry and aircraft investors
- Capture increasing aircraft demand by leveraging economies of scale
- Build sustainable profit structure through a “Buy and sell” business model

*1 Leasing revenue + gains (losses) on sales of aircrafts

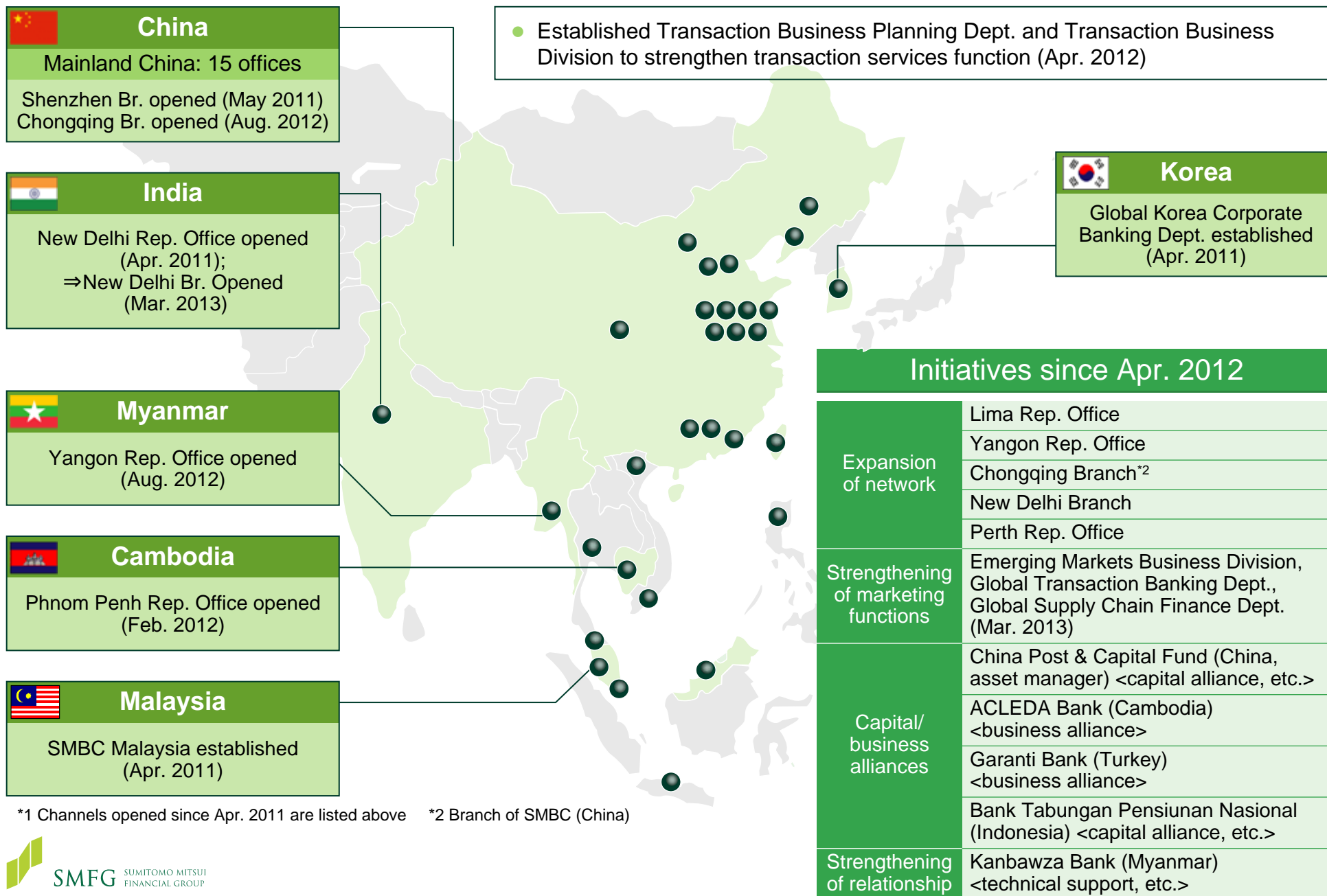
*2 Excludes assets of SMFL Aircraft Capital Corporation B.V., SMFL Aircraft Capital Japan Co., Ltd., Sumisho Aircraft Asset Management B.V.

*3 As of Dec. 31, 2012 (Source: Flightglobal Insight “Aircraft Finance 2013”)

Number of aircrafts ranking*3

	Leasing company	Nationality	No. of aircrafts
1	GECAS	U.S.	1,742
2	ILFC	U.S.	1,033
3	BBAM	U.S.	332
	SMBC AC + Sumisho Acft Asset Mgt		318
4	AerCap	Netherlands	297
5	Aviation Capital Group	U.S.	270
6	CIT Aerospace	U.S.	268
7	AWAS	Ireland	244
8	Boeing Capital Corp	U.S.	236
9	SMBC AC	Ireland	232
10	BOC Aviation	Singapore	198
23	Sumisho Aircraft Asset Management	Netherlands	86

SMBC's footprint in Asia*1



■ Exposure to GIIPS Countries

Exposure to GIIPS countries - approx. USD 6.3 billion*¹ as of March 2013

Gov't bonds issued by
GIIPS countries*²

approx. USD 0.7 mn

Ireland

approx. USD 0.6 bn*¹

Aircraft leasing

Portugal

approx. USD 0.04 bn

Spain

approx. USD 2.4 bn*¹

To large corporations
and project finance

Italy

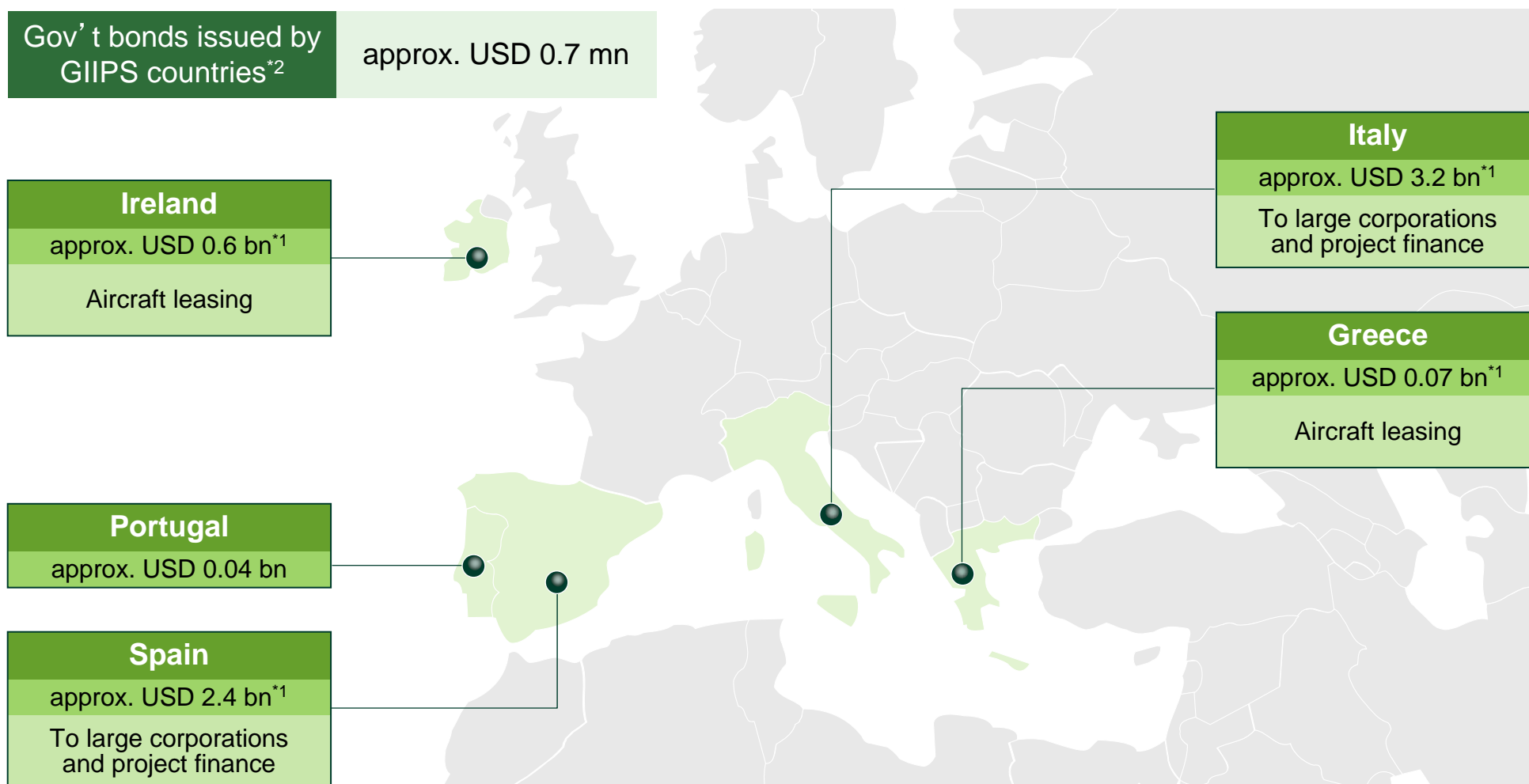
approx. USD 3.2 bn*¹

To large corporations
and project finance

Greece

approx. USD 0.07 bn*¹

Aircraft leasing















(SMFG consolidated)

*¹ Aircraft leasing by newly consolidated SMBC Aviation Capital is approx. USD 0.49 bn in total; USD 0.33 bn in Ireland, USD 0.11 bn in Spain, USD 0.04 bn in Greece and USD 0.01 bn in Italy

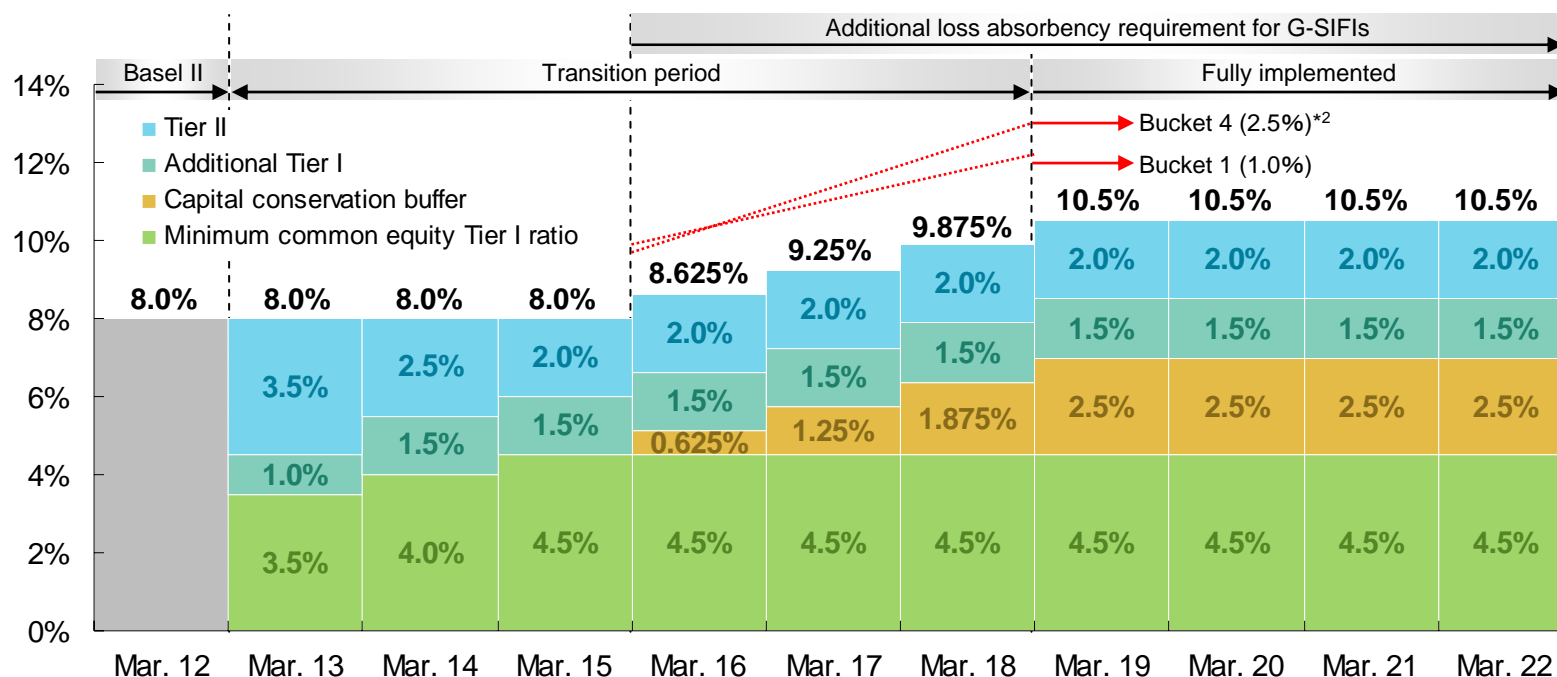
*² Secondary holdings of government bonds in SMBC Nikko. USD 0.70 mn in Italy and USD 0.02mn in Greece

Meeting international financial regulations

Target institutions	Regulations	Contents of regulation	Effective date	Action taken & impact on SMFG
 G-SIFIs	G-SIFIs capital surcharge G20	<ul style="list-style-type: none"> Required for additional loss absorption capacity above the Basel III minimum 	2016	 Requirement for SMFG to be 8% on a fully-loaded basis. Achieved 8% CET 1 ratio by the end of Mar. 2013
	Recovery and Resolution Plan G20 US UK	<ul style="list-style-type: none"> SMFG Group Recovery Plan Resolution Plan related to US operations SMBCE's Recovery Plan 	Submitted US: Dec. 2013 Submitted	 Work in accordance with each respective due dates
Internationally active banks	OTC derivatives markets reforms G20 US	<ul style="list-style-type: none"> Centralizing of OTC derivatives clearing Margin requirement for non-centrally cleared derivatives Restricted banks' derivatives trading (Derivatives Push-Out Provision) 	Dec. 2012 Jan. 2015 US: Jul. 2012	 Taking actions needed although impact will be smaller compared to investment banks
	Limitation on banking activities / Ring fencing regulation EU US	<ul style="list-style-type: none"> Ring-fenced banks prohibited from providing certain services and required to be isolated from the rest of financial group in UK and EU Depository institution and its affiliates prohibited from proprietary trading, sponsorship and ownership in fund in US Requirements for foreign banking organizations (FBO) 	TBD Jul. 2014 (full implementation) Jul. 2015	 No retail business in UK and EU (although paying close attention to the discussion)  Business related to regulation is limited. Paying close attention to discussions
	Bank Levy EU	<ul style="list-style-type: none"> Financial Transaction Tax (FTT) 	Jan. 2014	 While details of regulation remain unclear, the impact is assumed manageable
Domestic banks	Capital requirement G20	<ul style="list-style-type: none"> Required to raise the level and quality of the capital and enhance risk coverage under Basel III 	2013	 Achieved 8% CET 1 ratio by the end of Mar. 2013, which is our target by the end of Mar. 2014, earlier than deadline
	Fundamental review of trading book	<ul style="list-style-type: none"> Strengthened capital standards for market risk, such as reviewing the trading book / banking book boundary for capital regulation 	TBD	 Details of regulation remain unclear. Certain impact will be possible depending on contents
	Leverage ratio requirement G20	<ul style="list-style-type: none"> Non-risk-based measure based on "on- and off-accounting balance sheet items" against Tier I capital. Minimum requirement: 3% (transition period commenced in 2011) 	2018	 Currently have no issues in meeting requirements although paying attention to national finish
	Minimum standards for liquidity (LCR / NSFR) G20	<ul style="list-style-type: none"> LCR: Required to have sufficient high-quality liquid assets to survive a significant stress scenario lasting for one month. > =100% needed NSFR: Required to maintain a sustainable maturity structure of assets and liabilities > 100% needed 	2015 2018	 In good position due to domestic deposit base. Intend to further strengthen foreign currency ALM
	Other regulations G20	<ul style="list-style-type: none"> Strengthen the oversight and regulation of the shadow banking system illustrated such as MMFs, repos and securitizations Large exposure regulation 	TBD	 Direction of regulation unclear. Still need attention

 Able to meet requirements easily
  Able to meet requirements
  Impact unclear

Summary of regulatory capital framework



Phase-in of deductions ^{*3}	-	20%	40%	60%	80%	100%	100%	100%	100%	100%
Grandfathering of capital instruments	90%	80%	70%	60%	50%	40%	30%	20%	10%	-

*1 Drafts of other rules that are to be implemented after 2014, such as rules on capital buffers and liquidity standards, will be published at a later stage

*2 With an empty bucket of 3.5% to discourage further systeminess

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

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

	Apr. 2001	Jul. 2007	Apr. 2013
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 	<ul style="list-style-type: none"> Bank of New York Mellon
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 	SMBC <ul style="list-style-type: none"> BPCE(Banque Populaire) BTMU Mizuho CB/BK UniCredit 	<ul style="list-style-type: none"> State Street Bank & Trust
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 	SMBC <ul style="list-style-type: none"> BTMU HSBC Bank JPMorgan Chase Bank Nordea Bank Wells Fargo Bank
A1	<ul style="list-style-type: none"> Credit Suisse 	<ul style="list-style-type: none"> Bank of China 	<ul style="list-style-type: none"> Bank of China Credit Suisse Mizuho CB/BK 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"> Barclays Bank BNP Paribas BPCE(Banque Populaire) Crédit Agricole Deutsche Bank Goldman Sachs Bank ING Bank Société Générale UBS
A3	SMBC <ul style="list-style-type: none"> Mizuho CB/BK 		<ul style="list-style-type: none"> Bank of America Citibank Morgan Stanley Bank Royal Bank of Scotland
Baa1	<ul style="list-style-type: none"> Bank of China 		
Baa2			<ul style="list-style-type: none"> Banco Santander UniCredit
Baa3			<ul style="list-style-type: none"> BBVA

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

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 or registration statement 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.