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“SMFG’s Growth Strategy”

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<Presentation Summary>

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(Cover page)

Good afternoon, ladies and gentlemen. My name is Miyata from Sumitomo Mitsui Financial Group.

It is my great pleasure to be here this afternoon to make this presentation, and I would like to thank Daiwa Securities for organizing this conference.

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Today, I would like to present key points of our growth strategy in the consumer , corporate and international business, and then, explain our financial performance for the third quarter of this fiscal year.

(P.2)

Financial performance of Japanese corporations is on a recovery trend due to the three arrows of Abenomics, especially the aggressive monetary policy which corrected excessive yen appreciation. The results of the economy watchers survey and various statistics related to employments and capital investments suggest steady improvement of the Japanese economy led by the domestic demand.

Against this backdrop, SMFG aims to achieve growth by capturing opportunities in both domestic and international markets and by increasing market share in the consumer, corporate, and international business, leveraging our group’s uniqueness of having leading companies in their respective fields, such as banking, leasing, securities and consumer finance. This April, SMBC will change its domestic marketing organizational structure for the first time since its establishment in order to improve capabilities to address individual and corporate customers’ drastically changing needs.

From now on, I would like to explain key points of each business.

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First, let me explain our consumer business. Our focus areas are asset management, inheritance and succession, and consumer finance.

About half of JPY 1,600 trillion of financial assets owned by Japanese individuals are cash and deposits. This is far higher compared to the U.S. where the ratio is slightly more than 10% and the Eurozone where the ratio is around 25%, and therefore, we expect the trend of savings to investment will progress. In addition, we anticipate increasing needs for business and asset succession related services due to the aging of business owners of small sized corporations, and inheritance related services as a result of the transferring of financial assets from parents living in rural areas to their children working in urban areas.

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We started the trial operation of bank-securities integration model between SMBC and SMBC Nikko Securities in May 2013, and doubled the number of offices for the trial in October. Because of the favorable reception by customers, we are going to further expand this initiative in next fiscal year. SMBC Nikko Securities provides sophisticated consulting services to SMBC's large 28 million customer base, according to the customer needs, while SMBC provides services to SMBC Nikko Securities' customers who have needs for less risky asset management or inheritance and succession services in line with their aging. We will make efforts to enhance our group-wide customer base and increase assets under management.

In January 2014, to facilitate investment by individuals, NISA (Nippon Individual Savings Account) was introduced in Japan. The number of NISA accounts in the SMFG group was 600 thousand as of the end of December 2013. About 30% of individual customers who invested in investment trusts through SMBC's NISA accounts in January were those who have never purchased investment products. We hope these are signs of increase in people's investment appetite.

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In order to address growing needs of business owners and land owners for succession and inheritance and wealth management services, we are enhancing our capabilities by acquiring Societe Generale Private Banking Japan and commencing its operation as SMBC Trust Bank in October 2013. In addition, in order to comprehensively address business owners' corporate and personal needs, SMBC will newly establish 110 business offices that provide both consumer and corporate banking services. Going forward, we will provide best solutions to our customers

through integrated operation between SMBC, SMBC Nikko Securities, SMBC Trust Bank and the joint venture with Barclays.

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Consumer finance business is one of the areas we will further enhance with its relatively high spread, although we shall continue keeping a close eye on the trend of interest refund claims. SMBC Consumer Finance has the highest market share of more than 30% in the lending business among monoline consumer finance companies. In addition, the loan guarantee business is another promising area. SMBC Consumer Finance increased its outstanding guarantee balance for SMBC and regional financial institutions by more than 10% year-on-year. We aim to acquire overwhelming market share by adopting a dual-brand strategy of SMBC and Promise while combining functions, such as corporate planning and promotion.

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Next, let me touch upon our corporate business.

The demand for global and securities related services from our large corporate clients is growing. At the same time, we have continuously seen demand from medium sized corporations to support their growth.

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To address aforementioned needs, in this April, SMBC will increase the number of Corporate Banking Departments that cover large corporations, from 13 departments to 16 departments, and increase relationship managers aiming to provide more specialized services. For large corporations, we will provide one-stop services, by utilizing our bank-securities dual-role department, newly established in November 2013, and the combined operation between domestic and overseas offices. At the same time, for medium sized corporations, we will provide tailor-made solutions at around 160 Corporate Business Offices across Japan. The shift of transactions with small sized corporations, previously provided in Corporate Business Offices, to the newly establishing business offices in which we will provide consumer and corporate banking services comprehensively, will allow us to create more opportunities to contact medium sized corporate customers and support corporate customers according to their developing stage.

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From now on, let me discuss our international business.

From a long term perspective, we believe that we need to further accelerate business expansion in Asia, a region with high growth potential, geographical closeness, and cultural similarity to Japan, and which therefore provides higher business opportunities.

As a part of the initiative, SMBC established the Emerging Markets Business Division at the beginning of this fiscal year. We initiated the Multi-Franchise strategy to firmly establish a full-scale commercial banking franchise in countries with strong growth potential, and invested in BTPN in Indonesia. In emerging countries, we would like to capture growth over the medium to the long term, by fully committing to these countries, understanding the high volatility nature of these markets.

In addition, in line with our reinforcement in Asia, we will enhance our risk-management structure and human resource management system.

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We will also further strengthen our existing wholesale banking business with large corporations in Asia, Americas, EMEA, and our capabilities to provide financial products with competitive advantages such as project finance, transaction banking and aircraft leasing, by making proposals to address customers' needs in a timely manner.

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Regarding foreign currency funding to cope with an increase in overseas assets, we have issued USD, Euro and GBP denominated bonds to overseas institutional investors and AUD denominated bonds to domestic retail investors, and enhance issuance of CDs and CP and deposit taking in our overseas offices in the last three and a half years. Going forward, we will continue to diversify our foreign currency funding sources in maturities and currencies.

In addition, we will expand our U.S. business while diversifying our business portfolio through initiatives, including the acquisition of Flagship Rail Services in December 2013, the ninth largest rail car leasing company in the U.S.

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Let me move on to our financial performance for 3Q, FY3/2014.

SMFG's net income for the nine months was JPY 704.7 billion, 94% of the full-year forecast. SMFG showed favorable progress due mainly to good performance of securities subsidiaries and SMBC, which increased its fee income related to loan

syndication and overseas loans and had a net reversal of total credit costs. The Treasury Unit of SMBC recorded substantial gains on equity index-linked investment trusts in the first quarter and will maintain a flexible investment approach to adapt to the changing market environment.

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Let me explain SMFG's strengths and characteristics, which are the underlying factors of our good performance.

One of our characteristics is the attitude to respond to the changing environment speedy and proactively. For instance, the Treasury Unit of SMBC has been able to successfully rebalance its portfolio by reducing position in bonds and taking positions in equity-related instruments since the fall of 2012, and realized gains on the equity-related instruments in the first quarter. Unrealized gains on Other securities were JPY 1.6 trillion on a SMFG consolidated basis at the end of December 2013. This is evidence that the Treasury Unit of SMBC secures appropriate returns while managing risks with a flexible investment approach.

Moreover, our non-performing loan ratio was low at 1.93% on a SMFG consolidated basis at the end of December 2013, due mainly to our continuous stringent credit control. Total credit cost showed a net reversal of JPY 29.9 billion on a SMFG consolidated basis for the nine months ended December 2013.

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Good financial performance this fiscal year is also based on our fundamental strengths: higher loan-to-deposit spread, operational efficiency and capability to adapt to the changing business environment.

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Regarding the business environment for the domestic loan business, as you can see on the top-left side of this slide, SMBC's corporate loans has shown a year on year increase since March last year and is recovering steadily. Until now, majority of loan demand is for M&A and corporate restructuring by large corporations. In order to proactively take part in the recovery and growth of the Japanese economy, we are actively extending loans by setting up or increasing funds utilizing the loan support program of the Bank of Japan and providing loans to growth industries such as healthcare and renewable energy. The loan support program of the Bank of Japan was extended at the monetary policy meeting held on 18th February. We will actively utilize the program as an effective measure to address positive loan

demand of our customers.

Meanwhile, many Japanese corporations have a lot of cash on hand. Therefore, we estimate that the loan spread will continue to decline for a while due mainly to severe competition and continuous monetary easing.

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Finally, let me explain our capital policy.

Our Common Equity Tier 1 capital ratio on a Basel 3 fully-loaded basis was 9.7% at the end of December 2013. Excluding net unrealized gains on Other securities, the ratio was slightly less than 8%. Although the level is sufficient to comply with the regulatory requirement, we would like to secure a level to manage our business globally without any trouble even assuming a downside scenario.

In accordance with the good performance of this fiscal year, we increased our annual dividend forecast to 120 yen per share, up 10 yen from our initial forecast. By achieving growth with focus on ROE through allocation of resources to the growing areas discussed today, we aim to increase shareholder value and realize the right balance between investment for growth and shareholder return. We hope that we can obtain your continued support in the years ahead.

Thank you very much for your kind attention.

(End)