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**Presentation at the 11th Annual Bank of America Merrill Lynch Japan Conference
“Increasing Shareholder Value”**

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<Presentation Summary>

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(Cover page)

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

It is my great pleasure to be here this morning to make this presentation, and I would like to thank all of you for taking time out of your schedule for SMFG.

I would also like to thank Merrill Lynch Japan Securities for organizing this conference.

SMFG announced the new medium-term management plan for the fiscal years 2014 to 2016 in May this year. We believe that striving to increase our shareholder value sustainably by realizing high profitability and growth is an important subject for SMFG’s management, so we created the new medium-term management plan by focusing more on medium-to-long term growth, which will result in sustainable growth of shareholder value. As some of you may hear about the plan for the first time, I would like to explain the concept of the plan first, and then take questions from Ms. Otsuki.

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Please move on to page 1. We will definitely aim to grow in the next three years through the initiatives I will explain, but at the same time, we will also build a structure looking forward to the next decade in the medium-term management plan. We have determined our vision for the next decade as “to become a global financial group that, by earning the highest trust of our customers, leads the growth of Japan and the Asian region,” and we are going to implement measures to “become a truly Asia-centric institution,” “develop the best-in-class earnings base in Japan” and “realize true globalization and continue to evolve our business model.”

(P.2)

Our first quarter results are shown on page 2.

We made a good start for the medium-term management plan as SMFG's net income reached 34% of full year target, although it decreased year-on-year.

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(P.3)

We hear investors' concerns about sustainability of our earnings power because the good progress was mainly due to SMBC's realized gains on equity index-linked investment trusts and a net reversal of total credit cost.

However, you can see that SMBC's non-consolidated core banking profit has been stably maintained at the JPY 700 billion level. Moreover, the gross profit of SMBC's Treasury Unit has been maintained at around JPY 300 billion level in the last five years despite its high volatility nature. We aim to improve our earning capabilities by further strengthening our prompt responsiveness to the market, which we believe is one of our strengths.

(P.4)

Our three year profit targets are shown on page 4.

We aim to increase consolidated gross profit by 15% in three years, mainly driven by business areas such as Asia, Global-Corporate and Investment Banking, SMBC Nikko Securities and Consumer finance / Credit card businesses.

We aim to achieve net income of around JPY 800 billion in fiscal 2016, growing from a normalized net income of JPY 600 billion in fiscal 2013, which is estimated by normalizing credit costs and gains on equities, etc..

From now on, I would like to explain each growth driver.

(P.5)

Let me begin with our international business on page 5.

In our attempt to expand our global franchise, we plan to proactively invest in management resources including human resources and system infrastructure specifically in Asia, where it is geographically and culturally proximate to Japan and has great potential for growth. Going forward, we aim to establish an Asian franchise that equals our franchise in Japan, that would allow us to become a leading financial group in the Asian region with the reputation that SMFG and SMBC know the best about Asia.

In Asia-centric operations, we have three objectives: first, support our Japanese corporate customers making inroads in the Asian market; second, contribute to the growth of countries and corporations in Asia; and third, become a gateway for access to Asia for western companies.

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(P.6)

In the first quarter of fiscal 2014, we increased overseas loan balance mainly in Asia and the Americas through initiatives, such as enhancing trade finance.

In addition, we obtained approval to acquire shares of ACLEDA Bank, a Cambodian bank, in August, and last week, announced to enter into a non-binding Memorandum of Understanding with The Bank of East Asia in Hong Kong to increase our investment in the bank with a view to make it an equity method affiliate. Through these initiatives, we have steadily expanded our franchise, aiming to realize Asia-centric operations.

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Next, I would like to touch upon our domestic business on page 7.

We fully revised SMBC's domestic business structure in April this year for the first time since the establishment of the bank. This move was made to firmly respond to the changing needs of our customers. To this end, we revised the client segmentation from customers' view points, and upgraded our organizational and business structure.

Specifically, needs for global transactions and investment banking related services are becoming larger in more large corporations. To meet their needs, we have widened our "large corporations" client segment and enhanced departments and human resources to handle large corporate business.

Moreover, clients' needs that extend across consumer/corporate segments, such as business and asset succession needs, are increasing in line with generation changes of business owners. To address these needs, we launched the Area System to provide one-stop service.

As a result of these structural changes, we also intend to increase contact with middle and small sized corporate clients and provide further tailored responses.

Furthermore, in order to respond accurately to individual clients' needs for growth of wealth and preservation and passing on of wealth, we began trial operation of our bank-securities retail integration model last fiscal year and expanded to all offices in July this year.

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For our large corporate clients, SMBC's industry-classified Corporate Banking Department will offer sophisticated solutions by leveraging our extensive knowledge of domestic and overseas industries. Further, while enhancing collaboration between SMBC and SMBC Nikko Securities, we established the bank-securities dual-role department last fiscal year and are addressing clients' needs through one-stop service.

Regarding SMBC Nikko Securities, we set a target to secure a market share of 20% for underwriting Japanese equities and corporate bonds and a top-3 position in 3 years. In the first quarter, SMBC Nikko Securities achieved No. 3 position and 23.1% market share in Japanese equities underwriting, leveraging bank-securities collaboration, demonstrated by its role as one of the joint global coordinators in a large equity offering. Although domestic loan growth has been challenging, we aim to capture various business opportunities.

(P.9)

For our retail clients, we started a trial operation of the bank-securities integration model last fiscal year and expanded the model to all offices of SMBC and SMBC Nikko Securities in July this year. Under the model, SMBC refers individual clients who have needs for active asset management to SMBC Nikko Securities. On the other hand, SMBC serves steady asset management and inheritance/succession needs. Bottom left chart shows number of accounts of individual customers that were opened at SMBC Nikko Securities via referral or financial intermediary services by SMBC. This number has increased substantially in line with the expansion of bank-securities retail integration and we are confident of the progress.

Please move on to page 10.

(P.10)

In our consumer finance business, we aim to achieve an overwhelming market share by capturing the diversified needs of customers, leveraging the collective strengths of our group companies, including SMBC, which has a strength in brand power and sense of safety, SMBC Consumer Finance, which has a strength in speed and convenience, and Mobit, which has a strength in convenience through mobile and internet channels.

We aim to increase the total balance of unsecured card loans of SMBC and SMBC Consumer Finance combined by 20% in three years.

At SMBC Consumer Finance, unsecured loan balance is near the bottom. Loan guarantee amount has increased by 15% annually nearly up to JPY 800 billion, due to a sense of safety as a SMFG group company. Going forward, we will continue to grow three major businesses: financing business, loan guarantee business and overseas business.

(P.11)

Now, I would like to explain our capital policy on page 11.

In our medium-term management plan, we set financial targets, including Common Equity Tier 1 Capital Ratio target of around 10% and ROE target of around 10%.

With regard to the Common Equity Tier 1 ratio target, we would like to secure 10% from the perspective of financial soundness, in consideration of the current regulatory environment, even after realizing growth, shareholder returns and our downside scenario and taking into account accumulation of retained earnings in three years.

At the same time, we aim to achieve ROE target of 10%, while focusing on capital efficiency, and aim for a stable increase in dividend per share. Regarding our dividend payout ratio, the target of this fiscal year is currently 25%, but we will strongly consider 30% going forward.

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As you can see on page 12, we set financial targets for growth, profitability and soundness in our medium-term management plan.

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On page 13, we show ROE comparison on the left and overhead ratio comparison on the right. We will continue to stick to high quality management and insist on the achievement of the financial targets, by maintaining and improving our strengths of high profitability and efficiency.

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Finally, I would like to touch upon cases in which SMFG contributes to Japan's growth strategies. In addition, I would like to introduce our initiatives to utilize women workers' abilities since I realize "womenomics" is one of the themes of this conference.

As you can see on the left, in Indonesia, one of our focusing markets, we have seen increasing needs from our Japanese corporate clients to enter into the country, as the food market is expanding in line with the expansion of the middle class and the country is the largest Islamic county in the world. SMFG will support Japanese corporations looking to enter its food market, from upstream to downstream of the supply chain, through initiatives, such as providing information services, serving as an intermediary between Japanese and local businesses, providing sales finance capability, etc., through the collaboration with Bogor Agricultural University, the largest agricultural university in Indonesia.

This initiative is mainly managed by SMBC's Growth Industry Cluster Department, a department led by SMBC's first female executive officer. To make diversity of human resources as a source of competitiveness, SMBC newly established "Diversity and Inclusion Committee" headed by President and CEO of SMBC and set a target for the percentage of women in managerial positions to be 20% by the end of fiscal 2020. These are examples of "womenomics."

Right hand side shows a deal signed when I visited Brazil with Prime Minister Abe last month. In the deal, SMBC extended a loan to Amaggi, a Brazilian agricultural conglomerate, with the insurance of Nippon Export and Investment Insurance (NEXI). This is the first case for NEXI to provide insurance to an agricultural financing project, which materializes governmental policy of enhancing Japan's food supply security under the cooperation between public and private sectors, and we led the deal as a solo arranger.

SMFG group will contribute to Japan's growth strategies and the development of clients in each country in many ways.

This is the end of the presentation. Thank you very much for your kind attention.

(End)