

Overview of 3Q, FY3/2015 performance

January 27, 2015

Sumitomo Mitsui Financial Group, Inc.

Overview of 3Q, FY3/2015 performance (cumulative)

- SMFG's net income reached 97% of the full year target mainly as a result of good performance of the international business and SMBC's Treasury Unit, and minimal incurrence of credit costs
- Full year targets are unchanged due to a) credit cost target is conservatively maintained because reversal of credit costs is expected to be limited and uncertain global economic factors are to be assessed; b) tax burden will increase as a result of disposal of deferred tax assets in accordance with a reduction of the effective corporate tax rate; and c) stronger yen is assumed compared with 3Q, FY3/2015 results*1

Key financial figures

Net income <small>SMFG consolidated</small>		Banking profit*4 <small>SMBC non-consolidated</small>	
JPY 682.2 bn <small>USD 5.7 bn*2</small>	YOY change: JPY (22.5) bn 97% of full-year target	JPY 641.9 bn <small>USD 5.3 bn*2</small>	YOY change: JPY +5.7 bn 86% of full-year target
ROE*3 <small>SMFG consolidated</small>		Total credit cost <small>Top: SMFG consolidated/ bottom: SMBC non-consolidated</small>	
13.5%	Financial target of medium-term management plan: around 10%	(net reversal) JPY 46.3 bn	FY3/2015 forecast: JPY 60 bn
Overhead ratio <small>SMFG consolidated</small>		(net reversal) JPY 101.9 bn	
54.9%	Financial target of medium-term management plan: in the mid 50%	FY3/2015 forecast: (net reversal) JPY 50 bn	

Per share information (SMFG consolidated)

	Apr.-Dec. 2014 result	YOY change	FY3/2015 target		Dec. 31, 2014	Change from Mar. 31, 2014
Net income per share	JPY 498.97	JPY (16.99)	JPY 511.98	Net assets per share	JPY 6,180.03	+JPY 856.16

*1 USD 1 = JPY 120.56 *2 Translated into USD at period-end exchange rate of USD 1 = JPY 120.56

*3 Annualized *4 Before provision for general reserve for possible loan losses

3Q, FY3/2015 financial results (cumulative)

Income statement

		(JPY bn)	Apr. -Dec. 2014 results	YOY change	FY3/15 targets
SMFG consolidated	Consolidated gross profit	USD 18.5 bn ^{**1}	2,230.3	+9.1	
	Variance*2		999.5	(27.8)	
	General and administrative expenses		(1,224.7)	(54.9)	
	Consolidated net business profit		1,005.9	(55.1)	
	Total credit cost		46.3	+16.4	(60)
	Ordinary profit	USD 9.2 bn ^{**1}	1,106.8	(60.3)	1,200
	Variance*2		339.2	(91.8)	400
	Net income	USD 5.7 bn ^{**1}	682.2	(22.5)	700
Variance*2		151.8	(72.9)	170	
SMBC non-consolidated	Gross banking profit	USD 10.2 bn ^{**1}	1,230.8	+36.9	1,540
	Expenses*3		(588.9)	(31.2)	(790)
	Banking profit*4	USD 5.3 bn ^{**1}	641.9	+5.7	750
	Total credit cost		101.9	+21.2	50
	Gains (losses) on stocks		59.7	(31.7)	
	Other non-recurring gains (losses)		(35.9)	+36.3	
	Ordinary profit	USD 6.4 bn ^{**1}	767.6	+31.5	800
	Net income	USD 4.4 bn ^{**1}	530.4	+50.4	530

Contribution of subsidiaries to SMFG's Net income

(JPY bn)	Apr. -Dec. 2014	YOY change
SMBC Nikko Securities	45	(8)
SMBC Consumer Finance	41	(9)
Sumitomo Mitsui Finance and Leasing	23	+1
Cedyna	22	+3
SMBC Guarantee	14	(4)
Sumitomo Mitsui Card	13	(2)
SMBC Friend Securities	7	(4)

Domestic loan-to-deposit spread

(SMBC non-consolidated)

(%)	Apr.-Dec. 2014	Apr. -Jun.	Jul. -Sep.	Oct. -Dec.
Interest earned on loans and bills discounted	1.33	1.35	1.33	1.30
Interest paid on deposits, etc.	0.03	0.03	0.03	0.04
Loan-to-deposit spread	1.30	1.32	1.30	1.26

Credit ratings (SMBC)

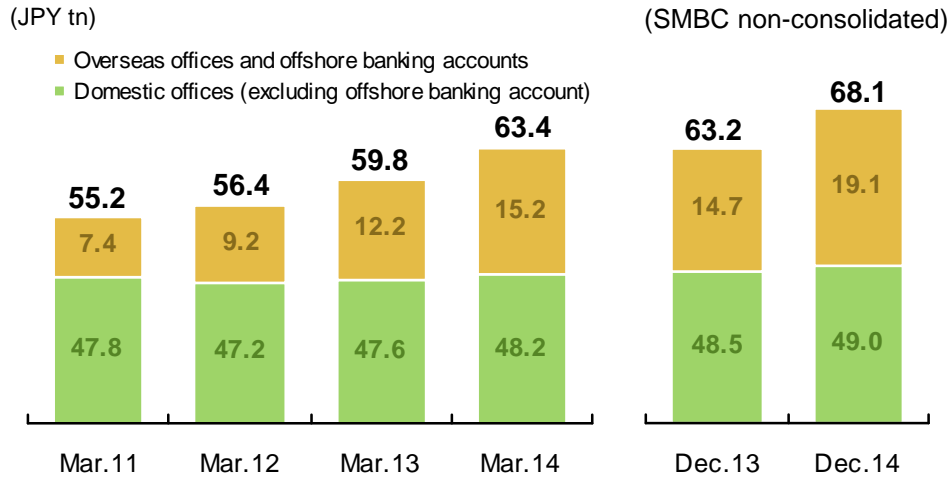
Moody's	S&P	Fitch	R&I	JCR
A1/P-1	A+/A-1	A-/F1	AA-/a-1+	AA/J-1+

*1 Translated into USD at period-end exchange rate of USD 1 = JPY 120.56 *2 SMFG consolidated figures minus SMBC non-consolidated figures

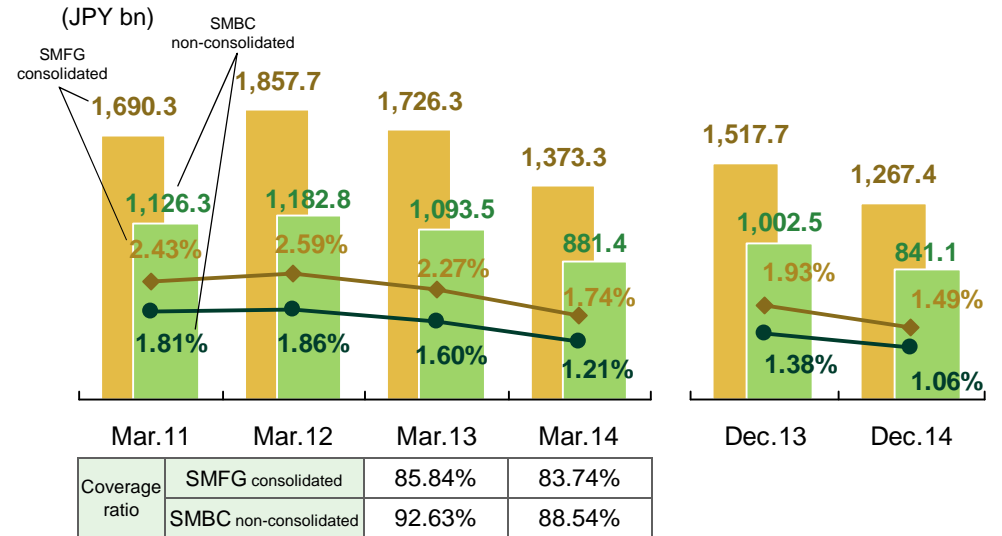
*3 Excludes non-recurring losses *4 Before provision for general reserve for possible loan losses

Trends in key figures

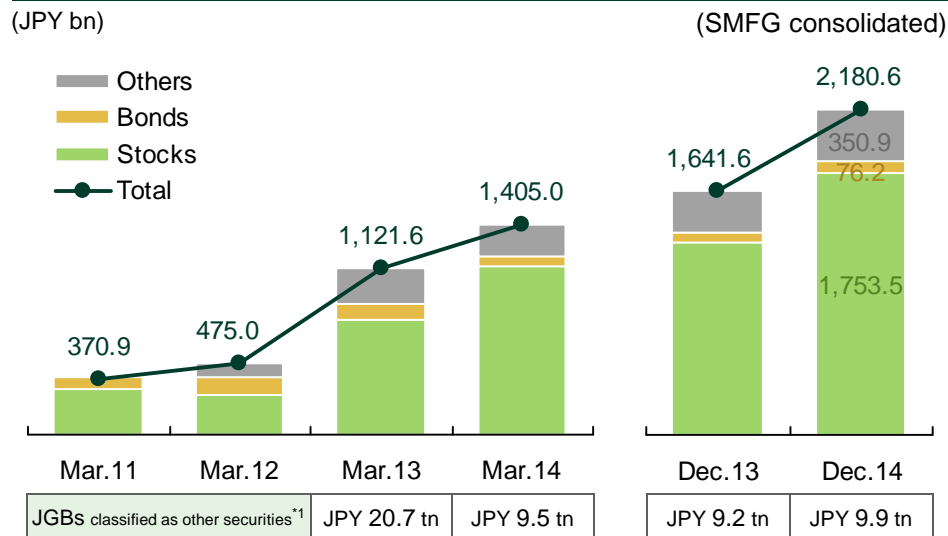
Loan balance



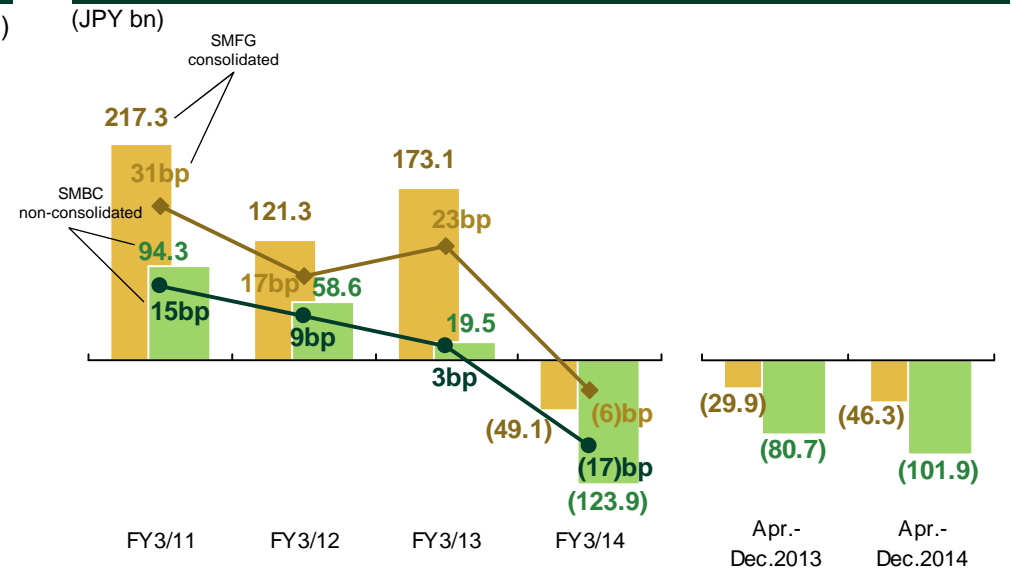
NPLs and NPL ratio^{*2}



Unrealized gains (losses) on other securities



Total credit cost and Total credit cost ratio^{*3}



*1 SMBC non-consolidated basis. Balance sheet amount

*2 NPL ratio = NPLs based on the Financial Reconstruction Act (excluding normal assets) / Total claims

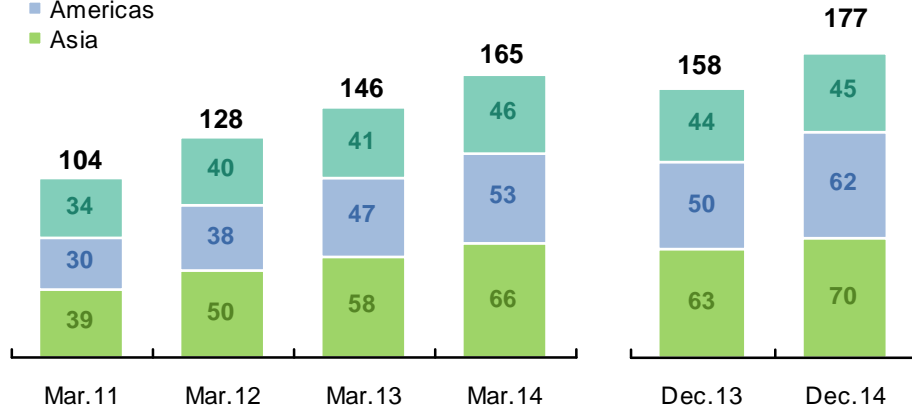
*3 Total credit cost ratio = Total credit cost / Total claims

International business

Overseas loan balance*1, 2

(USD bn)

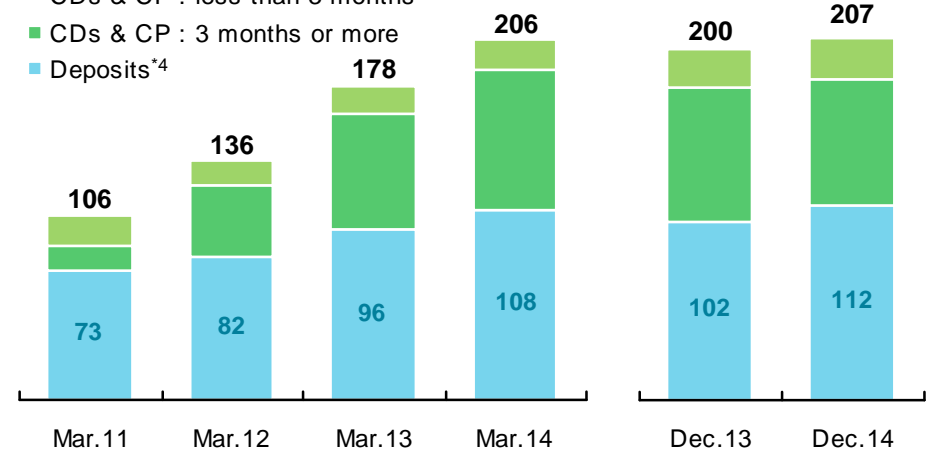
■ EMEA
■ Americas
■ Asia



Overseas deposit balance*1, 2

(USD bn)

■ CDs & CP : less than 3 months
■ CDs & CP : 3 months or more
■ Deposits*4

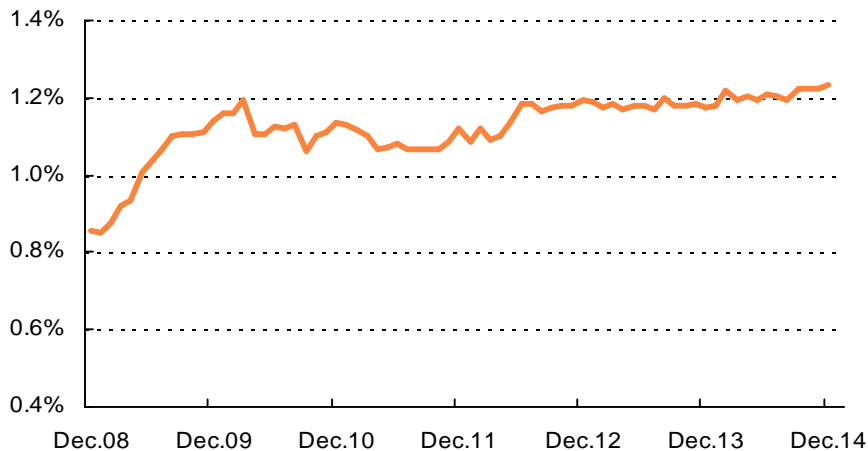


Foreign currency bonds outstanding ⁵ (USD bn)	Senior	13.6	19.2
	Subordinated	3.2	3.3

	Dec. 13	Dec. 14
Senior	16.6	21.2
Subordinated	3.3	4.9

- Issued senior bonds to overseas investors in Jan. 2015: USD 2.25bn and EUR 0.75bn

Overseas loan spread*1, 3



Project finance / Loan syndication

- SMBC was awarded "Global Bank of the Year 2014" by Project Finance International for the 3rd time, after 2008 and 2012
- SMBC is the only bank to be awarded three times

League tables (Jan. - Dec. 2014)*6

	Global	Asia*7	Japan
Project Finance	#2	#5	
Loan Syndication	#12	#6	#3

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

*2 Translated into USD at respective period-end exchange rates *3 Monthly average *4 Includes deposits from central banks

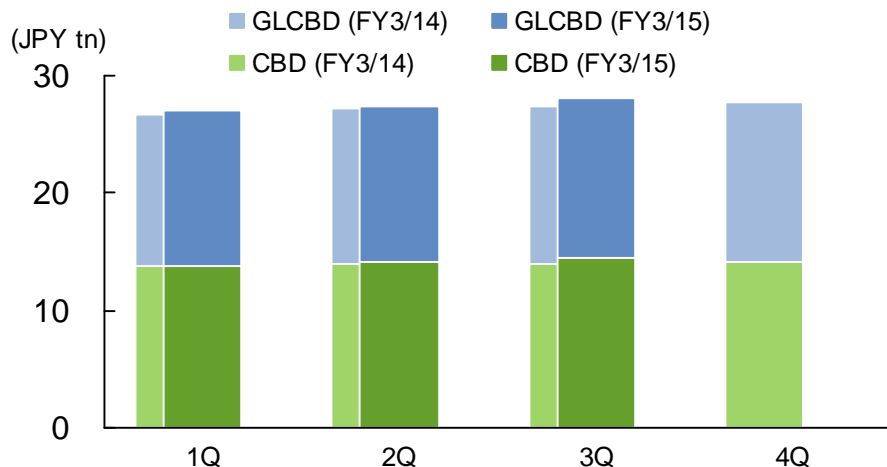
*5 Bonds issued by SMBC and SMFG *6 Source: Thomson Reuters (Mandated Arrangers)

*7 Project finance: Asia Pacific. Loan syndication: Asia (excl. Japan), all international currency syndicated and club loans

Wholesale business

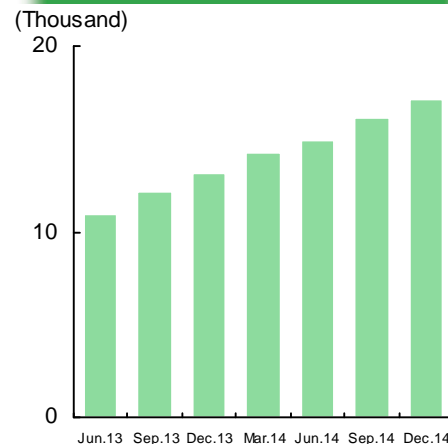
Loan balance of Wholesale Banking Unit*1, 2

(SMBC non-consolidated)

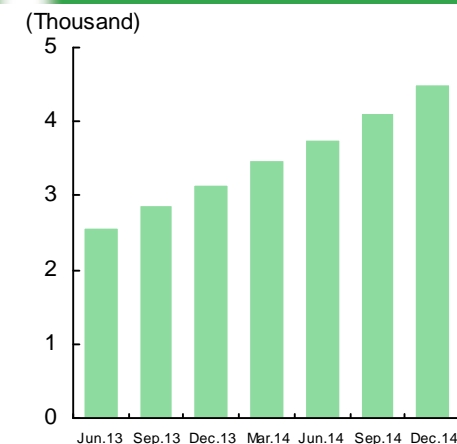


Bank-securities collaboration (accumulated no. of cases via referral / intermediary services from SMBC to SMBC Nikko)

Asset Management

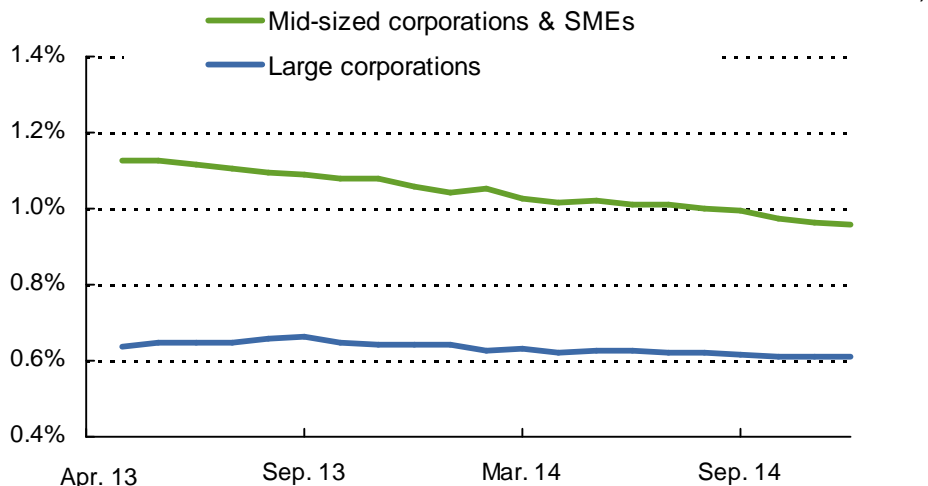


Investment banking



Domestic corporate loan spread*1, 3

(SMBC non-consolidated)



League tables (SMBC Nikko Securities, Apr. -Dec. 2014)

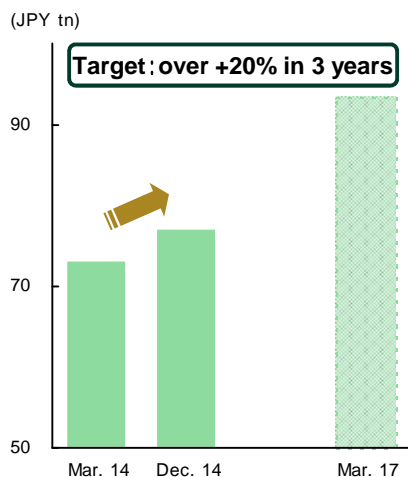
	Rank	Mkt share
Global equity & equity-related (book runner, underwriting amount)*4	#2	17.2%
JPY denominated bonds (lead manager, underwriting amount)*5	#5	15.5%
Financial advisor (M&A, No. of deals)*6	#3	2.5%
Financial advisor (M&A, transaction volume)*6	#10	6.3%

*1 Managerial accounting basis. We revised managerial accounting rules since Apr. 2014, following revision of domestic business structure. Figures for FY3/14 were recalculated based on the new rules *2 Quarterly average. GLCBD stands for the Global Corporate Banking Division and CBD stands for the Corporate Banking Division
 *3 Monthly average *4 Source: SMBC Nikko, based on data from Thomson Reuters. Japanese corporate related only *5 Source: SMBC Nikko, based on data from Thomson Reuters. Consisting of corporate bonds, FILP agency bonds, municipality bonds for proportional shares as lead manager, and samurai bonds *6 Source: Thomson Reuters. Japanese corporate related only. Excludes real estate deals

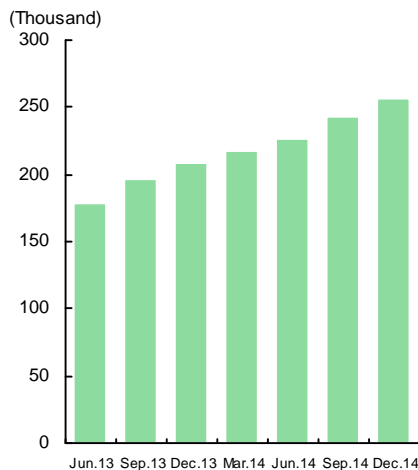
Retail business / Financial results of SMBC Nikko Securities

Bank-securities collaboration

Retail AuM
(SMBC+SMBC Nikko)



No. of individual accounts
opened at SMBC Nikko through
bank-securities collaboration^{*1}



Financial results (SMBC Nikko Securities, consolidated)

(JPY bn)	FY3/2014	Apr.-Dec. 2014	YOY change
Net operating revenue	327.9	239.5	(17.7)
SG&A expenses	(227.8)	(171.3)	+0.5
Ordinary income	102.1	69.7	(16.7)
Net income	64.6	46.0	(8.4)

Acquisition of Citibank Japan's retail banking business

Overview of the acquisition

- Reached an agreement that SMBC Trust Bank will undertake the acquisition of the retail banking business of Citibank Japan
- Total deposits: JPY 2,440 bn^{*2}, Number of branches: 32^{*3}, Number of customers: approx. 740,000^{*2}
- Expected to be complete in Oct. 2015, subject to necessary regulatory approvals

The new bank that SMBC Trust Bank envisions

- Aims to become a bank that is highly unique compared with other Japanese banks
- Target customers: Affluent individuals who reside in urban areas and are interested in global products and professional services
- Highly professional bankers will provide products and services including foreign currency investment products and global services
- Strives to grow into the core trust bank within the SMFG group by improving its profitability through cost reductions, by the shared use of system infrastructure with SMBC, etc.

Three pillars
of products
and services

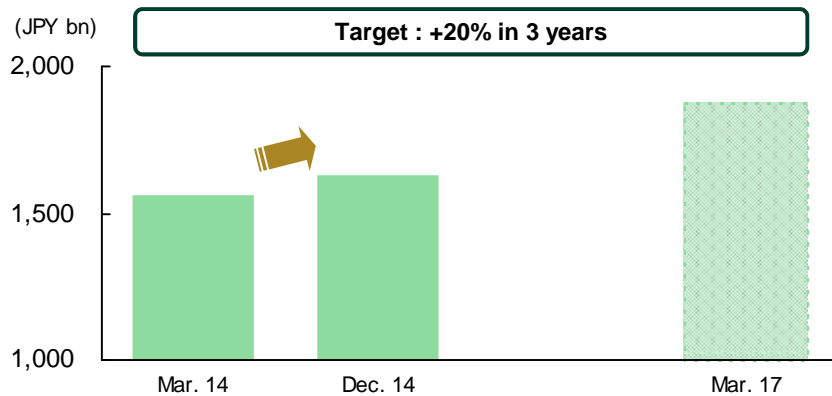
- ✓ Continuous offering of transferred products and services
- ✓ Expansion of global services through cooperation with Citi
- ✓ Enhancement of collaboration among SMFG group companies

Objectives
of the acquisition

- ✓ Expansion of customer base
- ✓ Enhancement of foreign currency funding source
- ✓ Improvement of servicing capability

Consumer finance

Balance of unsecured card loans (SMBC + SMBC Consumer Finance)

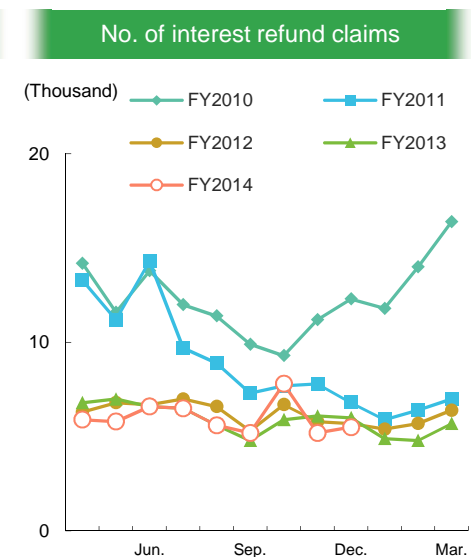
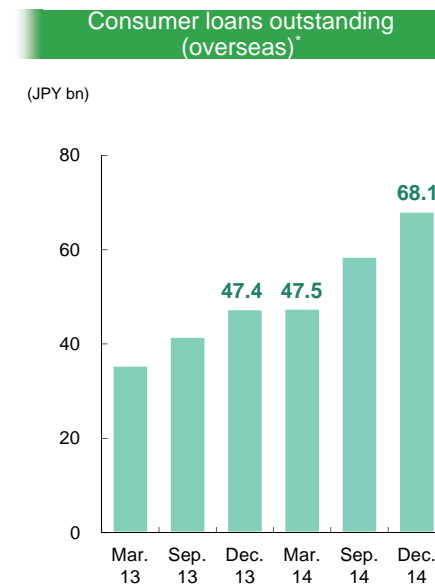
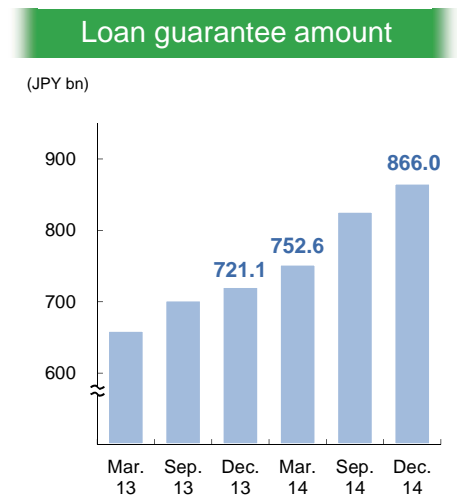
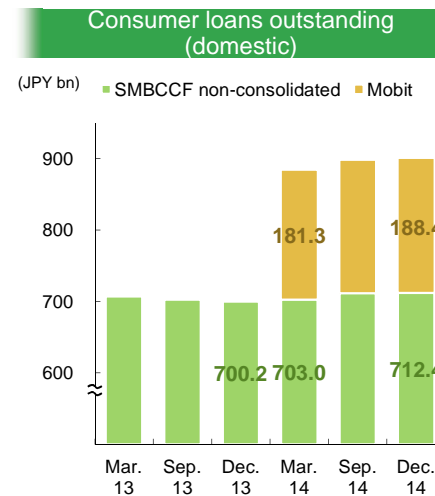


Financial results (SMBC Consumer Finance, consolidated)

(JPY bn)	FY3/14	Apr.-Dec. 2014	YOY change
Operating income	194.8	170.5	+26.0
Losses on interest repayments within Expenses	(38.7)	-	-
Ordinary profit	26.5	46.1	(4.3)
Net income	29.4	41.4	(8.7)

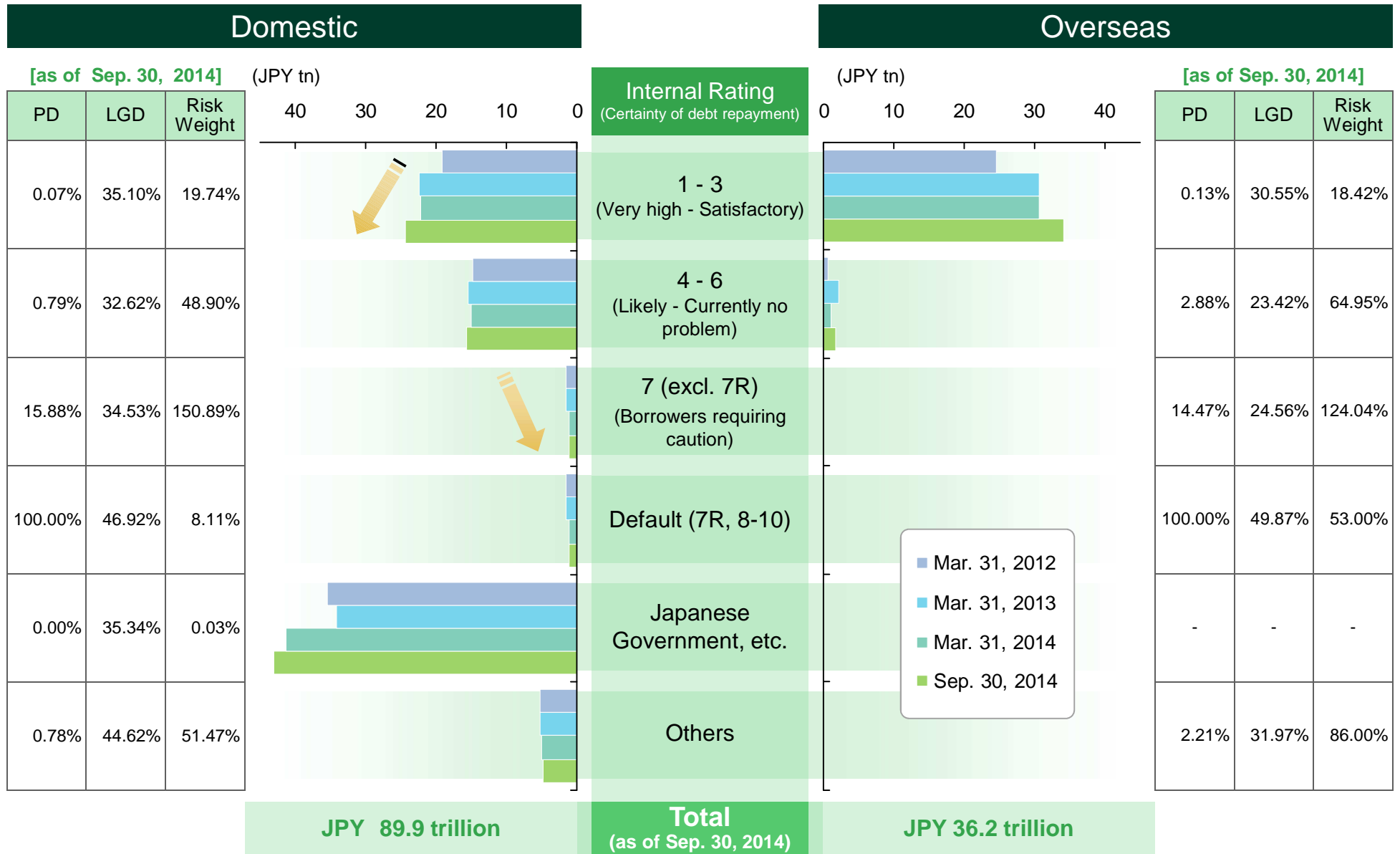
Consumer loans outstanding	937.6	973.9	
Allowance on interest repayments	152.8	99.5	
Loan guarantee	752.6	866.0	No. of companies with guarantee agreements: 189 (as of Dec. 2014)
for regional financial institutions, etc.	274.3	341.4	

SMBC Consumer Finance: Financing / Loan guarantee / Overseas businesses



* Translated into Japanese yen at respective period-end exchange rates

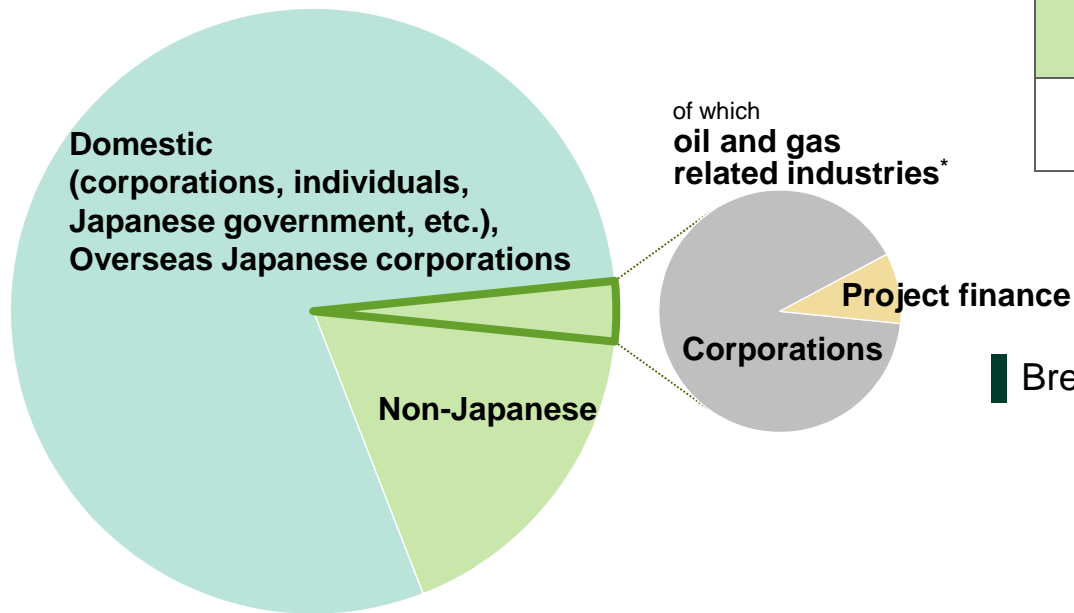
Corporate, sovereign and bank exposures



■ Exposure to oil and gas related industries / Exposure to Russia

Exposure to oil and gas related industries (image)

Exposure to oil and gas related industries within SMFG's consolidated exposure



- Exposure to non-Japanese oil and gas related industries accounts for 5-6% of SMFG's total exposure, or less than 20% of non-Japanese exposure
- Within exposure to oil and gas related industries, around 80% is to corporations and around 20% is project finance. More than 90% is classified as "1-3" on our internal rating

Exposure to Russia

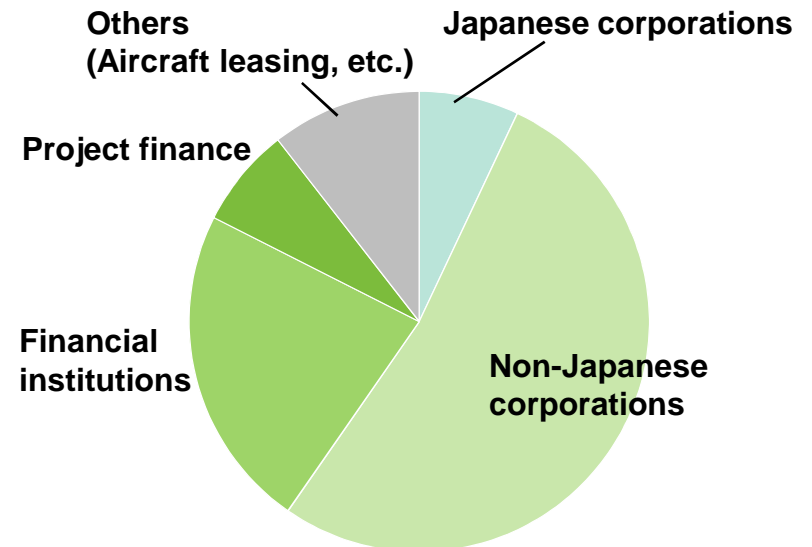
(SMFG consolidated)

(USD bn)



Mar. 14	Sep. 14	Nov. 14	Change from Mar. 31, 2014
6.2	5.7	5.3	0.8

Less than 1% of SMFG's total exposure

■ Breakdown of exposure to Russia



* Sum of SMBC, SMBC Europe and SMBC (China)



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Please refer to our most recent disclosure documents such as our annual report on Form 20-F and other documents submitted to the U.S. Securities and Exchange Commission, as well as our earnings press releases, for a more detailed description of the risks and uncertainties that may affect our financial conditions and our operating results, and investors’ decisions.

