

Overview of 3Q, FY3/2016 performance

January 26, 2016

Sumitomo Mitsui Financial Group, Inc.

Overview of 3Q, FY3/2016 performance (cumulative)

- SMFG's consolidated profit attributable to owners of parent reached 82% of the full-year target.
- On a year-on-year basis, profit attributable to owners of parent was down by JPY 56 bn. This was mainly due to a decrease in gross profit caused by the sluggish market conditions in the third quarter, an increase in expenditures, and a decrease in gains on reversal of reserve for possible losses at SMBC.

Key financial figures

Profit attributable to owners of parent SMFG consolidated		Consolidated gross profit, overhead ratio SMFG consolidated	
JPY 626.2 bn USD 5.2 bn^{*1}	82% of full-year target YOY change: JPY (56.0) bn	Consolidated gross profit JPY 2,218.6 bn USD 18.4 bn^{*1}	73% of full-year target YOY change: JPY (11.7) bn
ROE^{*2} SMFG consolidated		Overhead ratio 57.9% Financial target of medium-term management plan: in the mid 50%	
11.5%	Financial target of medium-term management plan: around 10%	Total credit cost Top: SMFG consolidated/ bottom: SMBC non-consolidated	
Banking profit^{*3} SMBC non-consolidated		JPY 45.6 bn	FY3/2016 forecast: JPY 120 bn
JPY 549.2 bn USD 4.6 bn^{*1}	72% of full-year target YOY change: JPY (92.7) bn	(net reversal) JPY 33.2 bn	FY3/2016 forecast: JPY 0 bn

Per share information (SMFG consolidated)

	Apr.-Dec. 2015 result	YOY change	FY3/2016 target		Dec. 31, 2015	Change from Mar. 31, 2015
Profit attributable to owners of parent	JPY 458.04	JPY (40.93)	JPY 555.87	Net assets	JPY 6,795.63	+JPY 196.76

*1 Shown in USD at period-end exchange rate of USD 1 = JPY 120.53

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

3Q, FY3/2016 financial results (cumulative)

Income statement

		(JPY bn)	Apr. -Dec. 2015 results	YOY change	FY3/16 targets
SMFG consolidated	Consolidated gross profit	USD 18.4 bn ^{*1}	2,218.6	(11.7)	3,030
	Variance ^{*2}		1,067.6	+68.1	
	General and administrative expenses		(1,285.7)	(60.9)	
	Equity in gains (losses) of affiliates		(44.8)	(45.1)	
	Consolidated net business profit		888.2	(117.7)	
	Total credit cost		(45.6)	(91.9)	(120)
	Ordinary profit	USD 7.5 bn ^{*1}	900.2	(206.7)	1,220
	Variance ^{*2}		336.1	(3.2)	470
	Profit attributable to owners of parent	USD 5.2 bn ^{*1}	626.2	(56.0)	760
	Variance ^{*2}		167.4	+15.5	240
SMBC non-consolidated	Gross banking profit	USD 9.5 bn ^{*1}	1,150.9	(79.8)	1,580
	Expenses ^{*3}		(601.7)	(12.9)	(820)
	Banking profit ^{*4}	USD 4.6 bn ^{*1}	549.2	(92.7)	760
	Total credit cost		33.2	(68.7)	0
	Gains (losses) on stocks		10.9	(48.8)	
	Other non-recurring gains (losses)		(29.2)	+6.7	
	Ordinary profit	USD 4.7 bn ^{*1}	564.1	(203.5)	750
	Net income	USD 3.8 bn ^{*1}	458.8	(71.6)	520

Contribution of subsidiaries to SMFG's Net income

	(JPY bn)	Apr. -Dec. 2015	YOY change
SMBC Consumer Finance		43	+1
SMBC Nikko Securities		36	(9)
Sumitomo Mitsui Finance and Leasing		22	(1)
Cedyna		22	(1)
Sumitomo Mitsui Card		14	+1
SMBC Friend Securities		3	(3)

Domestic loan-to-deposit spread

(SMBC non-consolidated)

(%)	Apr.-Dec. 2015	Apr. -Jun.	Jul. -Sep.	Oct. -Dec.
Interest earned on loans and bills discounted	1.24	1.24	1.24	1.23
Interest paid on deposits, etc.	0.03	0.03	0.03	0.03
Loan-to-deposit spread	1.21	1.21	1.21	1.20

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+

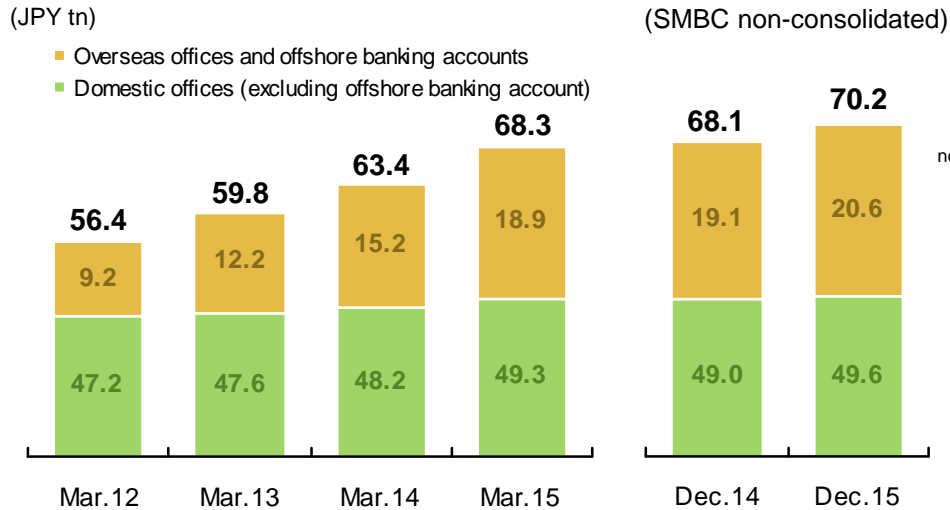
● Fitch upgraded SMFG / SMBC's rating from A- to A (Nov. 2015)

*1 Shown in USD at period-end exchange rate of USD 1 = JPY 120.53 *2 SMFG consolidated figures minus SMBC non-consolidated figures

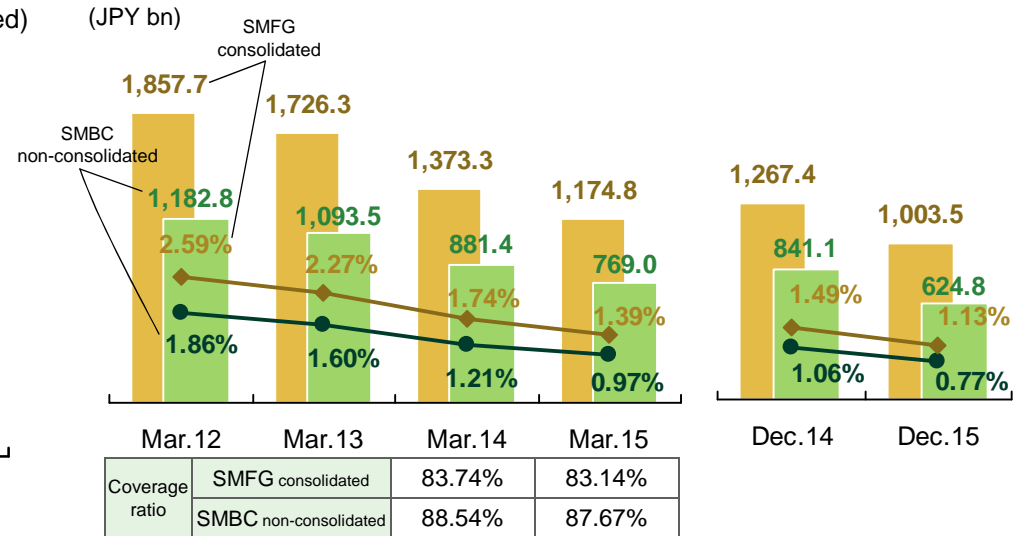
*3 Excludes non-recurring losses *4 Before provision for general reserve for possible loan losses

Trends in key figures

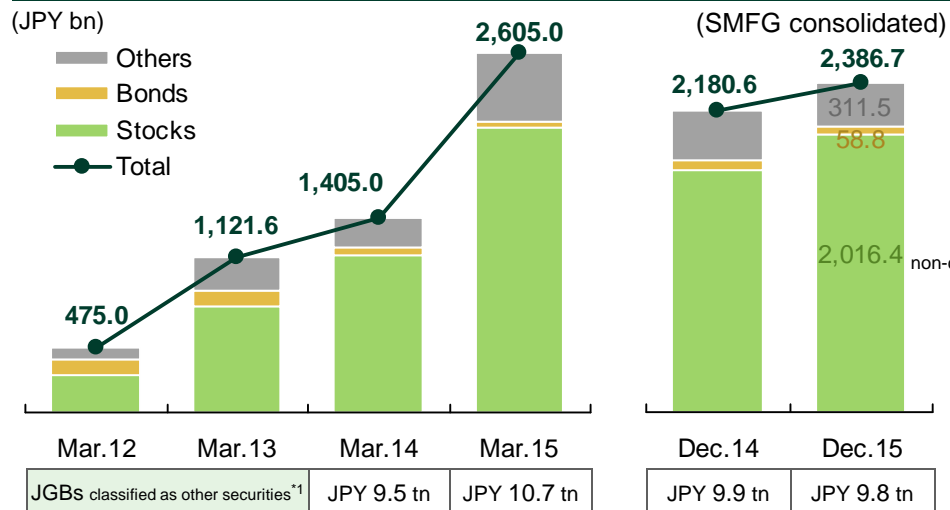
Loan balance



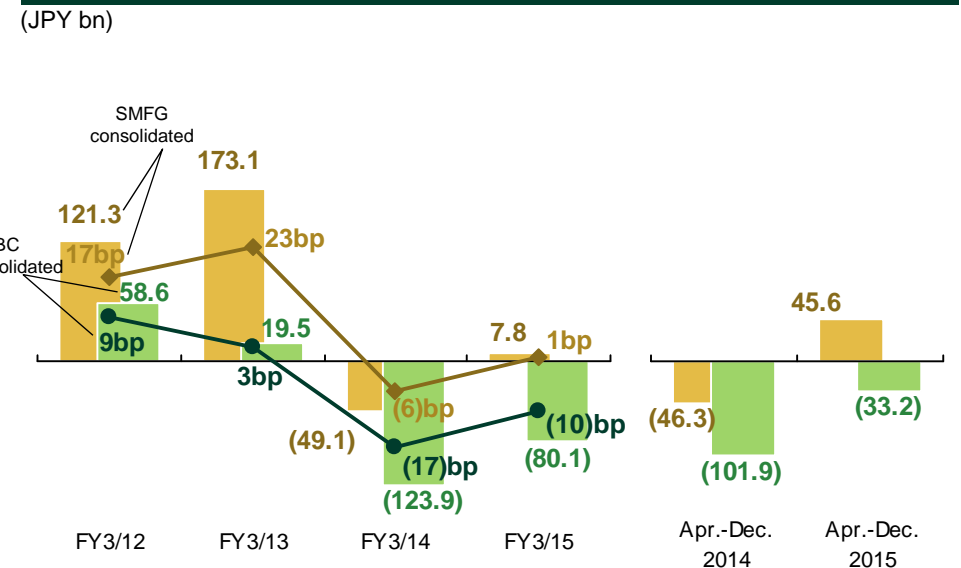
NPLs and NPL ratio*2



Unrealized gains (losses) on other securities



Total credit cost and Total credit cost ratio*3



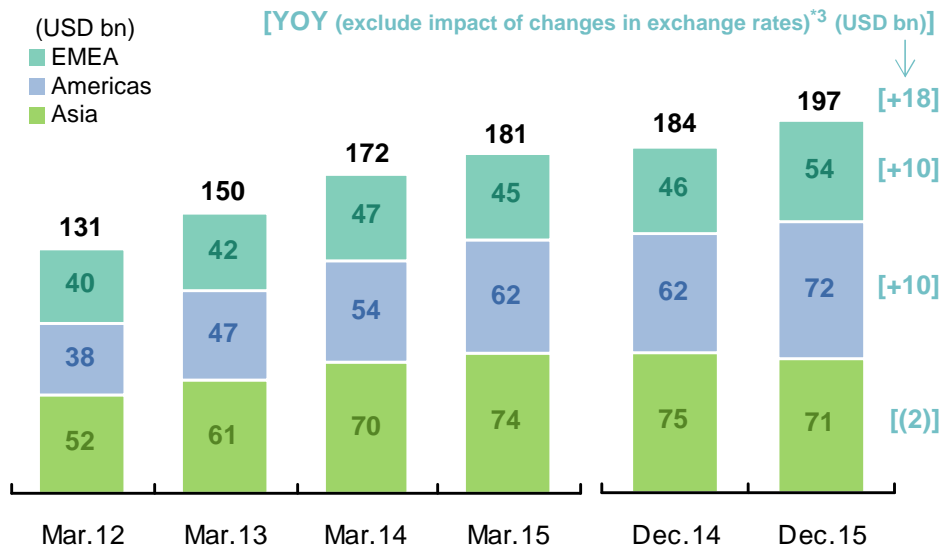
*1 SMBC non-consolidated basis. Balance sheet amount

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

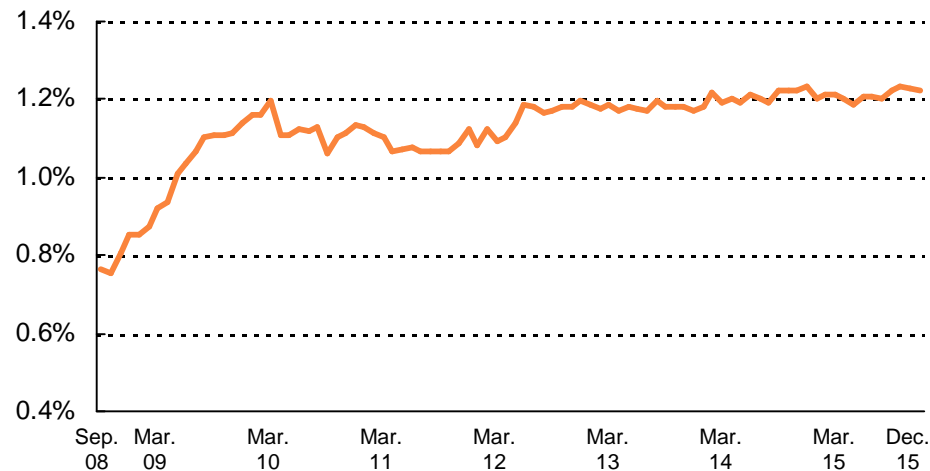
*3 Total credit cost ratio = Total credit cost / Total claims

International business

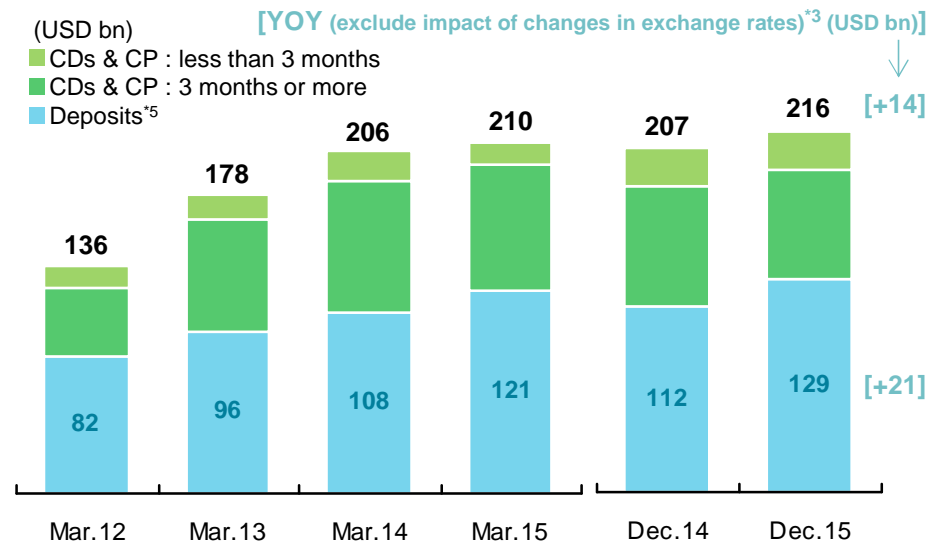
Overseas loan balance*1, 2



Overseas loan spread*1, 4



Overseas deposit balance*1, 2



Foreign currency bonds outstanding*6 (USD bn)	Senior	19.2	25.1	21.2	29.3
	Subordinated	3.3	4.7	4.9	4.1

- Issued senior bonds to overseas investors in Jan. 2016: USD 1.25 bn

Project finance

- Received "Global bank of the year" award by IJ Global

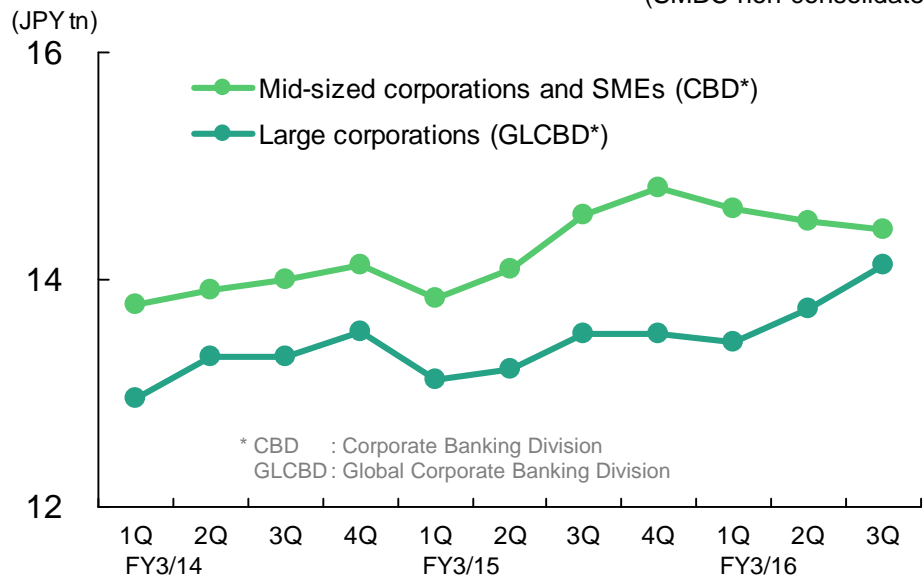
League tables (Jan.-Sep. 2015)*7

	Global	Asia*8
Project Finance	# 4	# 5

Wholesale business

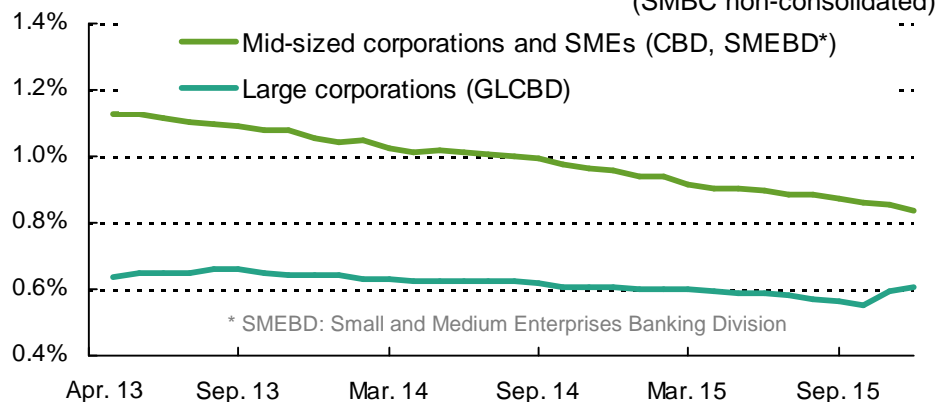
Loan balance of Wholesale Banking Unit^{*1, 2}

(SMBC non-consolidated)



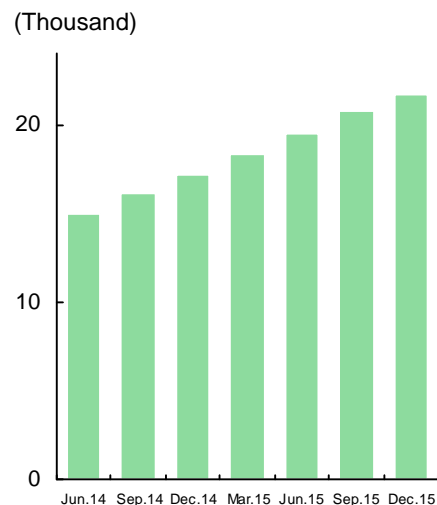
Domestic corporate loan spread^{*1, 3}

(SMBC non-consolidated)

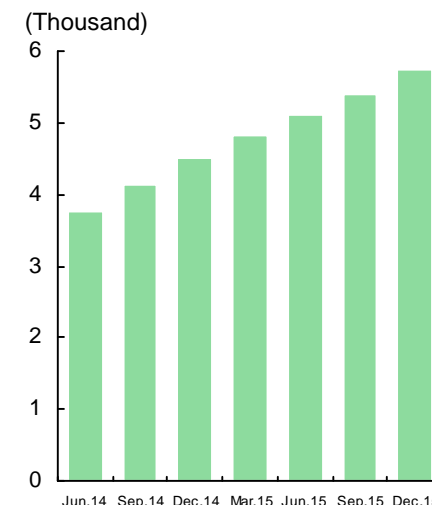


Bank-securities collaboration (accumulated no. of cases via referral / intermediary services from SMBC to SMBC Nikko)

Asset Management



Investment banking



League tables (Apr. -Dec. 2015)^{*4}

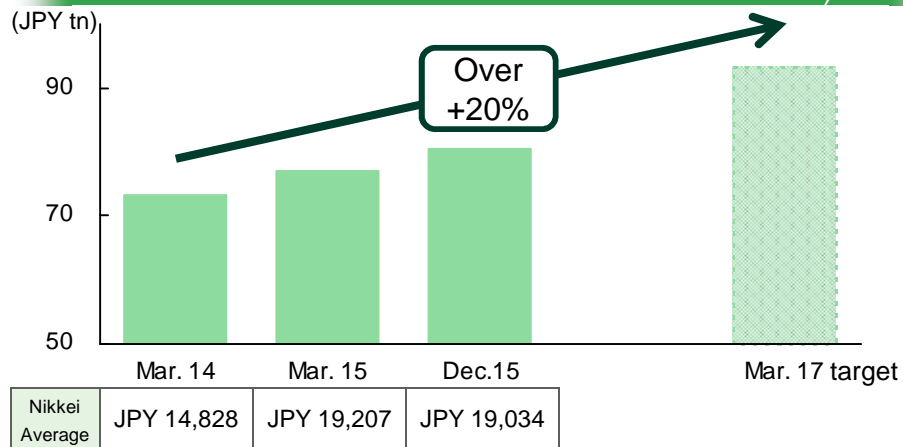
	Rank	Mkt share
Global equity & equity-related (book runner, underwriting amount)^{*5, 6}	#3	14.0%
JPY denominated bonds (lead manager, underwriting amount)^{*5, 7}	#3	16.9%
Financial advisor (M&A, No. of deals)^{*5, 8}	#2	5.0%
IPO (lead manager, No. of deals)^{*9}	#2	27.0%

*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 *3 Monthly average loan spread of existing loans *4 SMBC Nikko Securities for Global equity & equity-related, JPY denominated bonds and IPO. SMFG for Financial advisor *5 Source: SMBC Nikko, based on data from Thomson Reuters *6 Japanese corporate related only *7 Consisting of corporate bonds, FILP agency bonds, municipality bonds for proportional shares as lead manager, and samurai bonds *8 Japanese corporate related only. Group basis *9 Source: Thomson Reuters

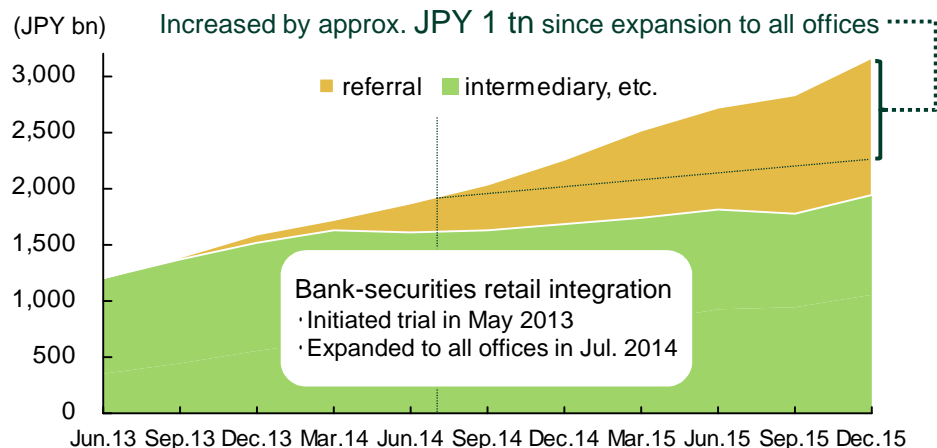
Retail business / Financial results of SMBC Nikko Securities

Bank-securities collaboration (retail customers)

Retail AuM (SMBC+SMBC Nikko
+SMBC Trust Bank PRESTIA)



AuM through bank-securities collaboration*1 (SMBC Nikko Securities)

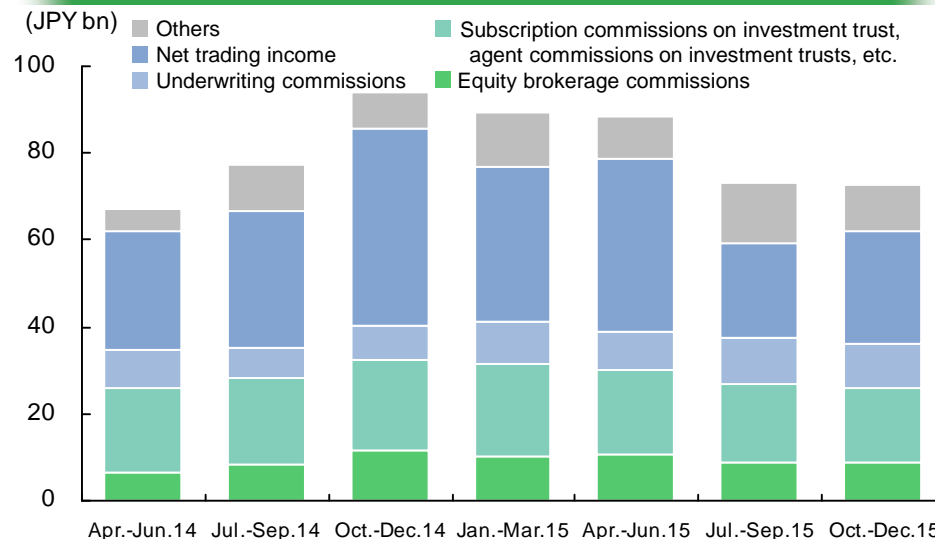


SMBC Nikko Securities

Financial results (consolidated)

(JPY bn)	FY3/15	Apr.-Dec 2015	YOY change
Net operating revenue	329.2	235.2	(4.3)
SG&A expenses	(235.2)	(184.2)	(12.9)
Ordinary income*2	96.2	54.0	(15.7)
Profit attributable to owners of parent*2	64.7	40.1	(5.9)

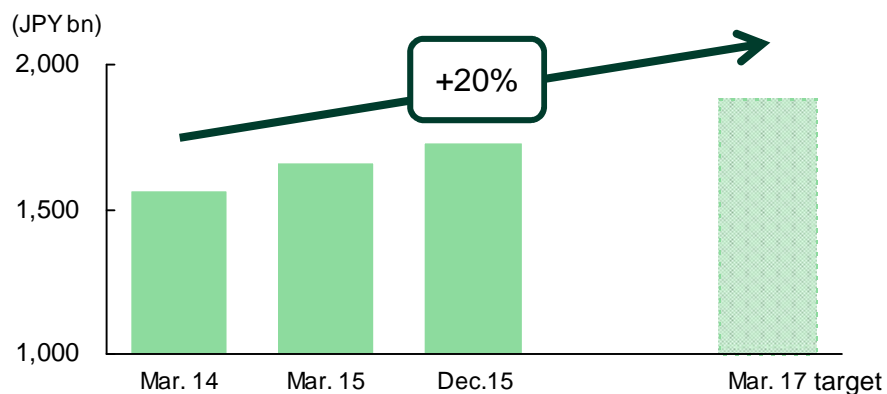
Net operating revenue



*1 Assets under management at SMBC Nikko via referral or financial instruments intermediary services from SMBC to SMBC Nikko. Includes assets transferred from SMBC Friend Securities to SMBC Nikko in Jan. 2011 upon integrating SMBC Friend's collaborative business with SMBC into SMBC Nikko and assets at the Private Banking division of SMBC Nikko *2 Includes profit from overseas equity-method affiliates of SMBC Nikko (consolidated subsidiaries of SMFG) etc.

Consumer finance

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

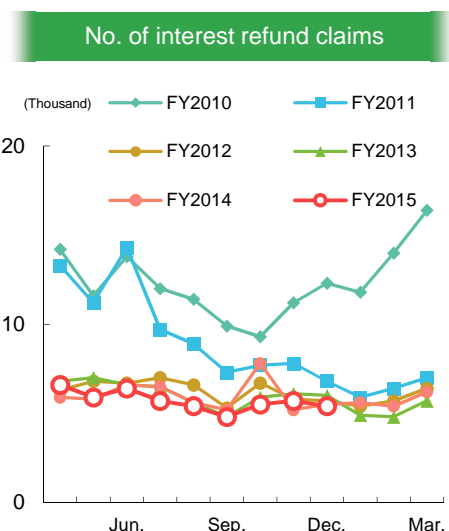
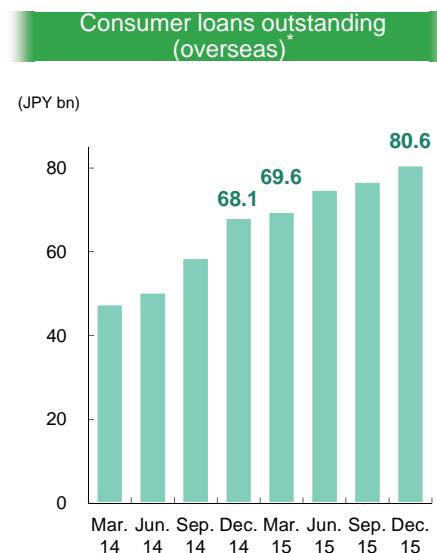
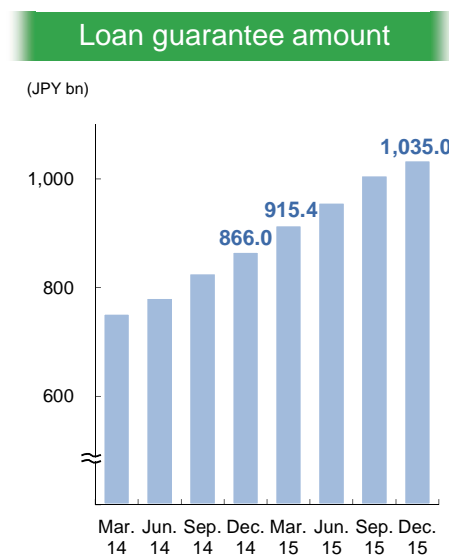
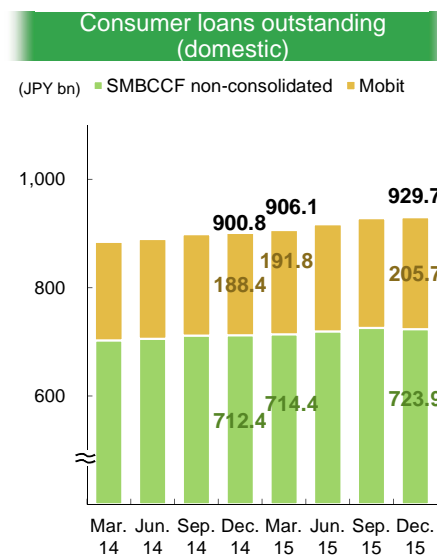


Financial results : SMBC Consumer Finance (consolidated)

(JPY bn)	FY3/15	Apr.-Dec. 2015	YOY change
Operating income	228.3	183.5	+13.0
Expenses for loan losses within Expenses	(47.9)	(42.6)	(4.0)
Losses on interest repayments within Expenses	(44.8)	-	-
Ordinary profit	16.6	45.8	(0.4)
Profit attributable to owners of parent	11.2	42.6	+1.2

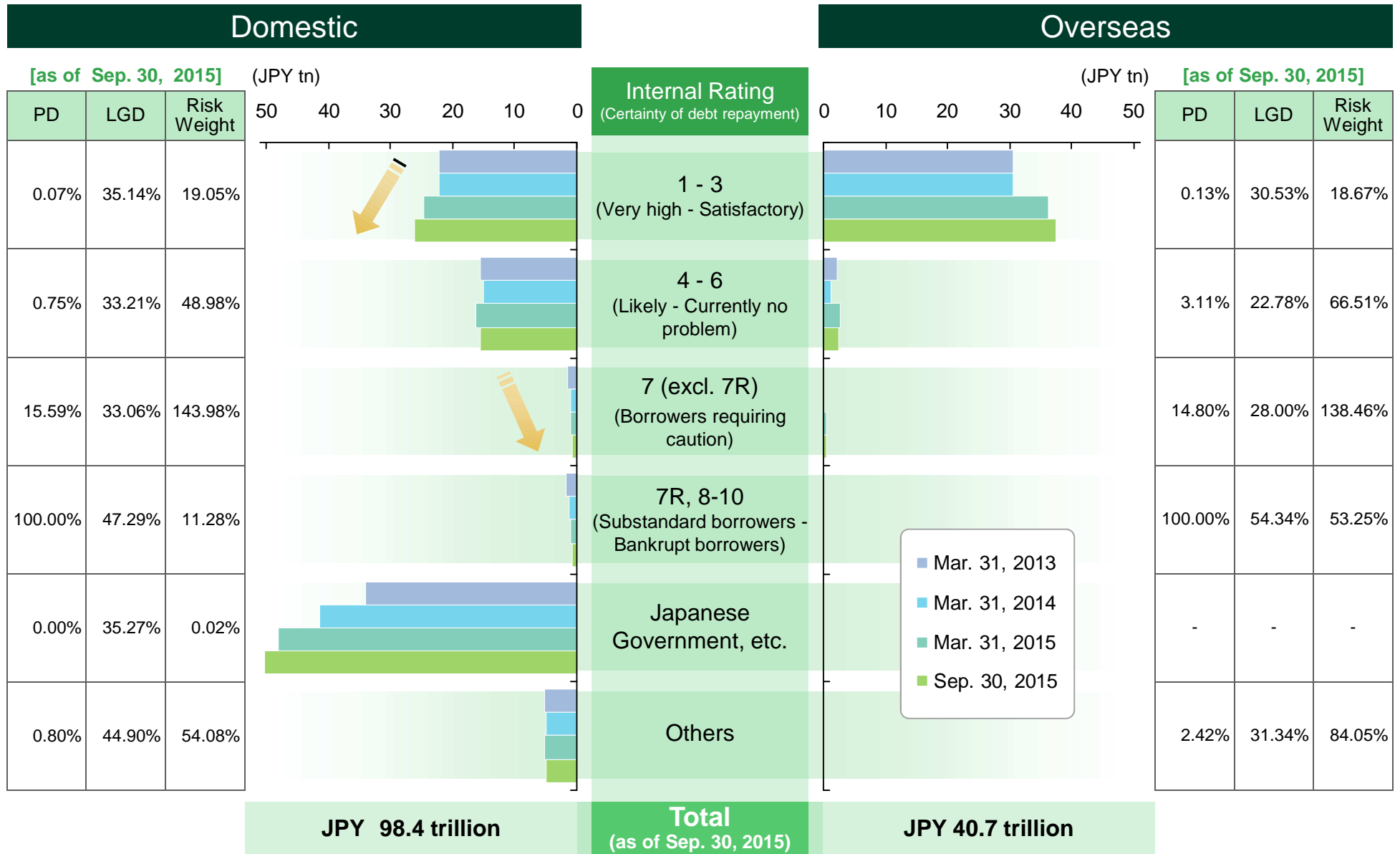
Consumer loans outstanding	980.3	1,014.0	
Allowance on interest repayments	127.6	78.0	
Loan guarantee	915.4	1,035.0	No. of companies with guarantee agreements: 189 (as of Dec. 2015)
of which: for regional banks, etc.	372.4	447.9	

SMBC Consumer Finance: loans / loan guarantee / overseas businesses



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

Corporate, sovereign and bank exposures



(Ref.) Exposure to oil and gas / other resources related industries / China / Russia (as of Sep. 2015, revised as confirmed figures)

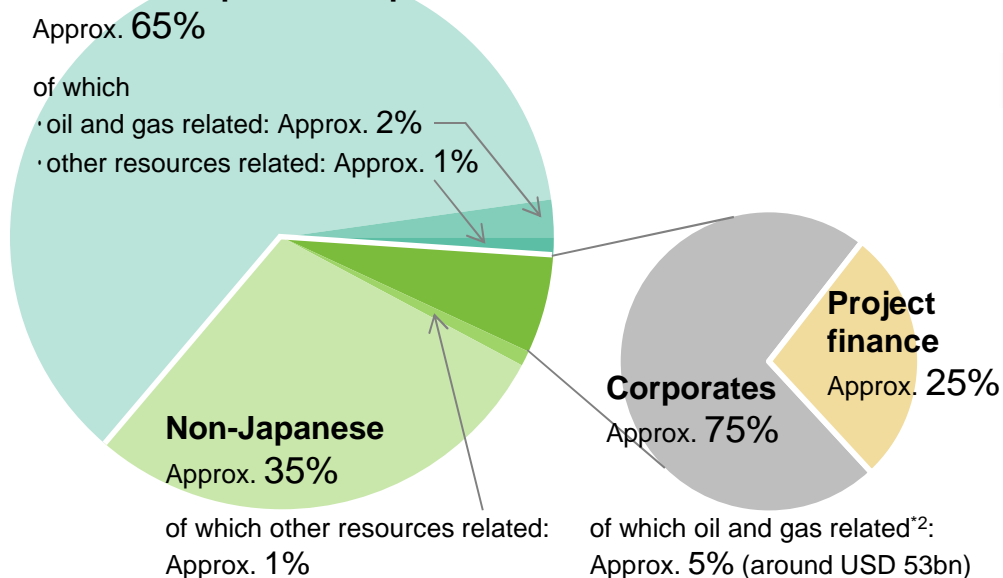
Exposure to oil and gas / other resources related industries (SMFG consolidated)*1

Domestic (corporates, individuals, government, etc.), and Overseas Japanese corporates

Approx. 65%

of which

- oil and gas related: Approx. 2%
- other resources related: Approx. 1%



- Non-Japanese oil and gas related exposure
 - Total exposure to E&P (Exploration & Production) related corporates/projects including oil majors that is vulnerable to the fall of oil prices is less than USD 30 bn
 - Around 90% is classified as “1-3” in our internal rating

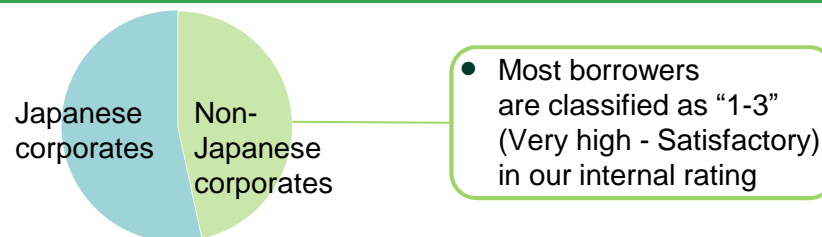
Loan balance in China*2

Loan balance (based on borrowers' domicile)*3

(JPY tn)

Mar. 15	Sep. 15	Change from Mar. 31, 2015
1.20	1.05	(0.15)

Composition by borrowers (based on booking office)



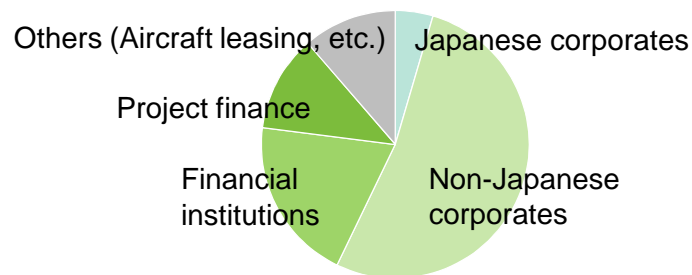
Exposure to Russia

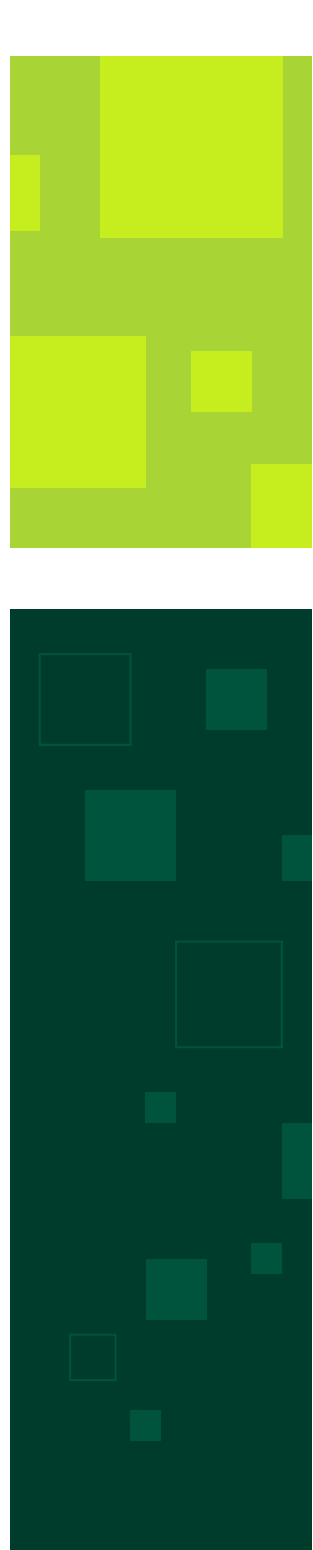

(USD bn)

Mar. 15	Sep. 15	Change from Mar. 31, 2015
5.1	4.7	(0.4)

Less than 1% of SMFG's total exposure

Breakdown of exposure to Russia





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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.