

Overview of 1Q, FY3/2018 performance

July 31, 2017

Sumitomo Mitsui Financial Group, Inc.

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,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “probability,” “risk,” “project,” “should,” “seek,” “target,” “will” 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; incurrence of significant credit-related costs; our ability to successfully implement our business strategy through our subsidiaries, affiliates and alliance partners; and exposure to new risks as we expand the scope of our business. 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 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.

Definitions

- Consolidated : SMFG (consolidated)
- Non-consolidated : SMBC (non-consolidated)
- SMFG : Sumitomo Mitsui Financial Group
- SMBC : Sumitomo Mitsui Banking Corporation
- SMBC Trust : SMBC Trust Bank
- SMFL : Sumitomo Mitsui Finance and Leasing
- SMBC Nikko : SMBC Nikko Securities
- SMBC Friend : SMBC Friend Securities
- SMCC : Sumitomo Mitsui Card Company
- SMCCF : SMBC Consumer Finance
- SMAM : Sumitomo Mitsui Asset Management

Overview of 1Q, FY3/2018 performance

- Consolidated net business profit and Profit attributable to owners of parent reached 27% and 38% of the full-year target, respectively
 - This was mainly because (a) the Global Markets Business Unit and the Retail Business Unit showed solid results, and SMBC recorded (b) a reversal of credit cost from a large borrower and (c) gains on stocks through the progress of sales of strategic shareholdings

Consolidated net business profit

JPY 303.2 bn

USD 2.7 bn^{*1}

27% of full-year target
YOY change: JPY +23.7 bn

Profit attributable to owners of parent

JPY 241.5 bn

USD 2.2 bn^{*1}

38% of full-year target
YOY change: JPY +57.2 bn

ROE^{*2}

11.8%

Financial target of
medium-term management plan:
around 7-8%

Consolidated overhead ratio

61.6%

Financial target of
medium-term management plan:
1% reduction compared with
FY3/17 results of 62.1%

Total credit cost

Consolidated

JPY (14.8) bn

FY3/18 forecast: JPY (210) bn

Non-consolidated

(net reversal)
JPY 14.6 bn

FY3/18 forecast: JPY (80) bn

Per share information (Consolidated)

	Apr.-Jun. 2017	YOY change	FY3/18 target
Profit attributable to owners of parent	JPY 171.28	+JPY 36.49	JPY 446.77
	Jun. 30, 2017	Change from Mar. 31, 2017	
Net assets	JPY 7,013.31	+JPY 111.64	

Credit ratings

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

*1 Converted into USD at period-end exchange rate of USD 1 = JPY 111.96 *2 Annualized

1Q, FY3/2018 financial results

Income statement

		(JPY bn)	Apr.-Jun. 2017	YOY change	1H, FY3/18	FY3/18 target
Consolidated	Consolidated gross profit	USD 6.6 bn ^{*1}	737.4	+21.7		
	General and administrative expenses		(453.9)	(10.7)		
	Equity in gains (losses) of affiliates		19.6	+12.8		
	Consolidated net business Profit ^{*2}	USD 2.7 bn ^{*1}	303.2	+23.7	550	1,130
	Total credit cost		(14.8)	(4.1)	(110)	(210)
	Gains (losses) on stocks		29.0	+27.4		
	Others		(1.2)	(4.8)		
	Ordinary profit	USD 2.8 bn ^{*1}	316.2	+42.2	460	970
Profit attributable to owners of parent	USD 2.2 bn ^{*1}	241.5	+57.2	310	630	
Non-consolidated	Gross banking profit	USD 3.2 bn ^{*1}	357.1	(12.3)		
	Expenses ^{*3}		(205.7)	(1.2)		
	Banking profit ^{*2}	USD 1.4 bn ^{*1}	151.3	(13.5)	280	600
	Total credit cost		14.6	(3.9)	(45)	(80)
	Gains (losses) on stocks		27.7	+27.6		
	Ordinary profit	USD 1.7 bn ^{*1}	188.0	+39.4	240	550
Net income	USD 1.5 bn ^{*1}	168.4	+61.5	200	430	

Consolidated gross profit increased mainly due to the increase of
a) profits from equity index-linked investment trusts at SMBC
b) fees from equity brokerage and investment trusts at SMBC Nikko

General and Administrative expenses increased mainly due to the consolidation of SMAM (consolidated in Jul. 2016)

Equity in gains (losses) of affiliates increased because The Bank of East Asia recorded gains on sale of its subsidiary

Contribution of subsidiaries to Profit attributable to owners of parent^{*4}

(JPY bn)	Apr.-Jun. 2017	YOY change	(JPY bn)	Apr.-Jun. 2017	YOY change
SMBC Nikko ^{*5}	14	+3	SMCC	3	+0
SMBCCF	14	+0	SMBC Friend	1	+0
SMFL	9	+1	SMAM	1	+0
Cedyna	6	(2)	SMBC Trust	(3)	+2

- Domestic loan-to-deposit spread (Non-consolidated)

(%)	FY3/17				FY3/18
	1Q	2Q	3Q	4Q	1Q
Interest earned on loans and bills discounted	1.13	1.05	1.01	1.02	0.99
Interest paid on deposits, etc.	0.01	0.01	0.01	0.00	0.00
Loan-to-deposit spread	1.12	1.04	1.00	1.02	0.99

(Ref) Excludes loans to the Japanese government, etc.

(%)	1Q	2Q	3Q	4Q	1Q
Interest earned on loans and bills discounted	1.15	1.12	1.08	1.07	1.04
Loan-to-deposit spread	1.14	1.11	1.07	1.07	1.04

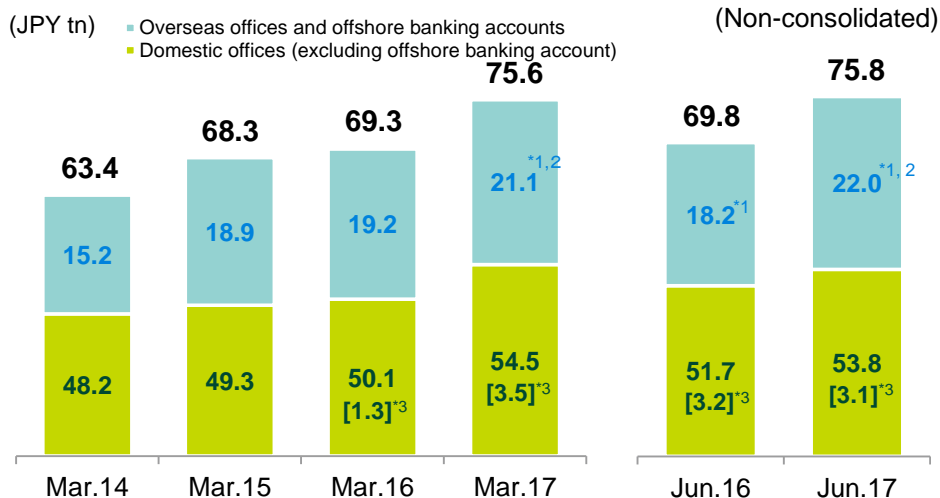
- Reduction of strategic shareholdings (book value)
 - Reduction results for the 1Q: approx. JPY 25 bn
 - Consent of sales from clients (outstanding) as of Jun. 2017: approx. JPY 110 bn

*1 Converted into USD at period-end exchange rate of USD 1 = JPY 111.96 *2 Before provision for general reserve for possible loan losses *3 Excludes non-recurring losses *4 in round numbers

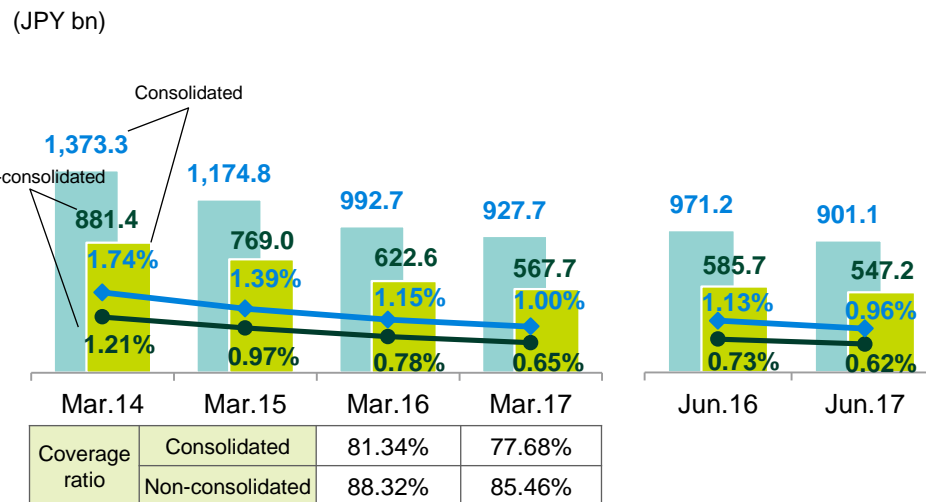
*5 Excludes profit from overseas equity-method affiliates of SMBC Nikko (consolidated subsidiaries of SMFG)

Trends in key figures

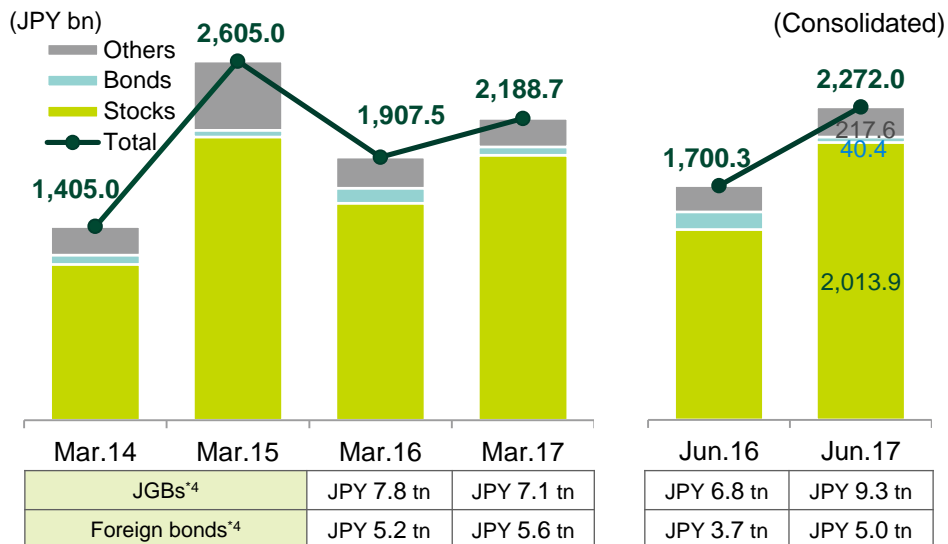
Loan balance



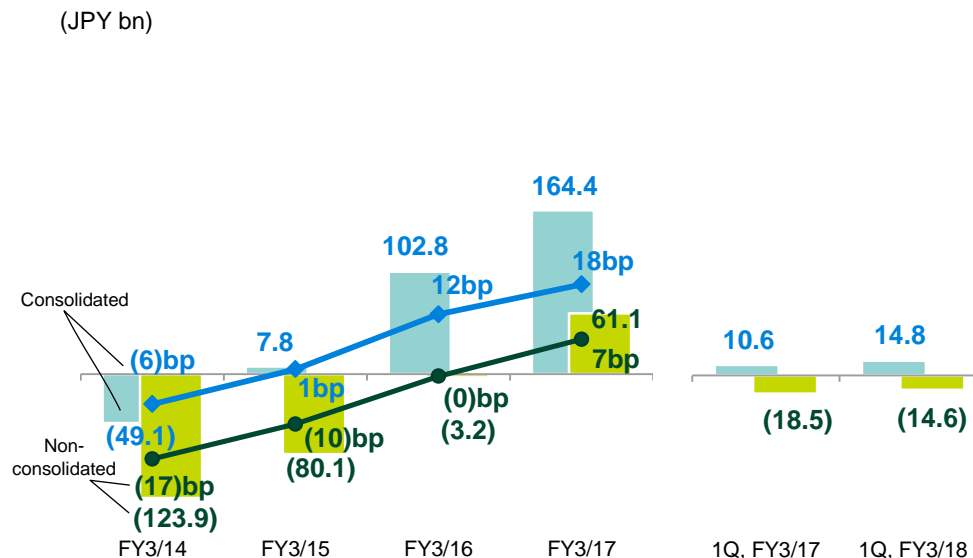
NPLs and NPL ratio^{*5}



Unrealized gains (losses) on other securities



Total credit cost and Total credit cost ratio^{*6}



*1 Exchange rates using TTM as of Jun. 2016: USD 1 = JPY 102.96, EUR 1 = JPY 114.37, Mar. 2017: USD 1 = JPY 112.19, EUR 1 = JPY 119.84, and Jun. 2017: USD 1 = JPY 111.96, EUR 1 = JPY 127.90

*2 Balance since Mar. 2017 includes balance of SMBC Canada Branch which was newly opened in Nov. 2016 and took over business of wholly-owned subsidiary SMBC of Canada

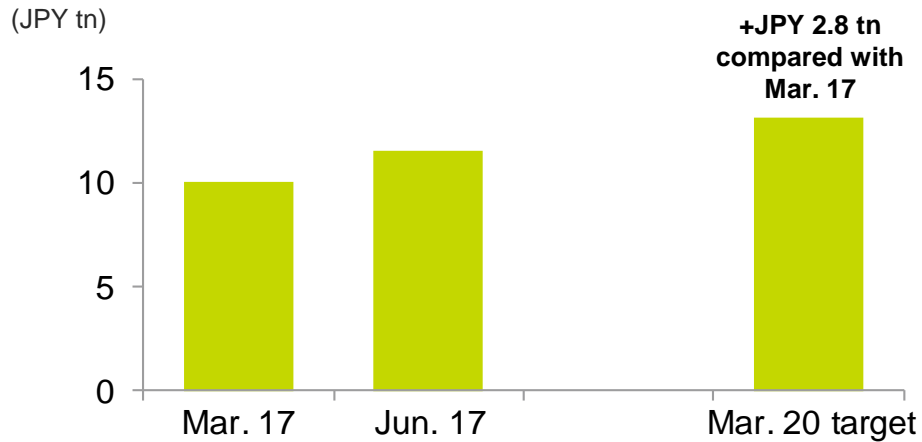
*3 Of which loans to the Japanese government, etc. and SMFG *4 Classified as other securities. SMBC non-consolidated basis. Balance sheet amount

*5 NPL ratio = NPLs based on the Financial Reconstruction Act (excludes normal assets) / Total claims *6 Total credit cost ratio = Total credit cost / Total claims

Retail business

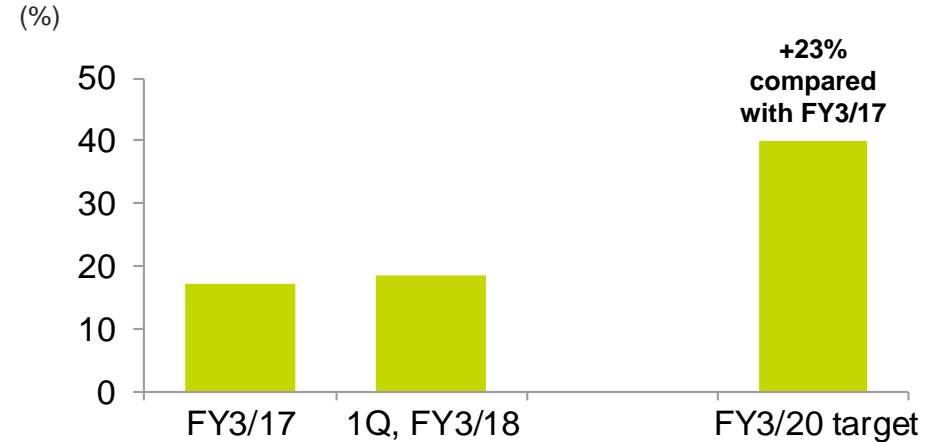
Wealth management business

Balance of stock-based assets (Bank + Securities)



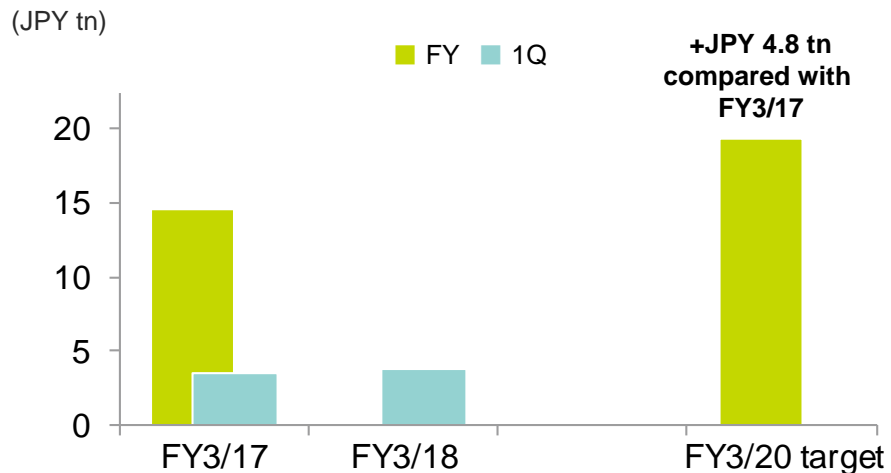
Digitalization

Utilization rate for digital channels (Bank)*2



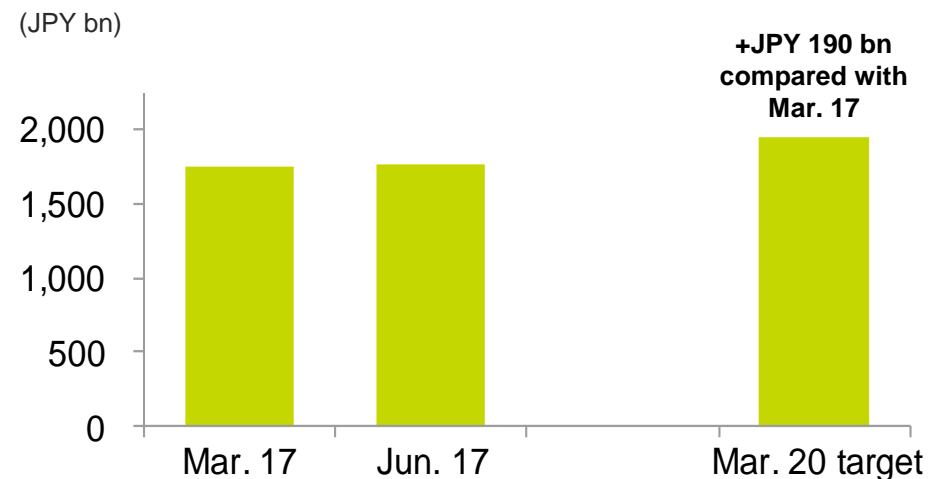
Credit card business

Credit card sales handled (SMCC + Cedyne)*1



Consumer finance

Balance of unsecured card loans (Group total)



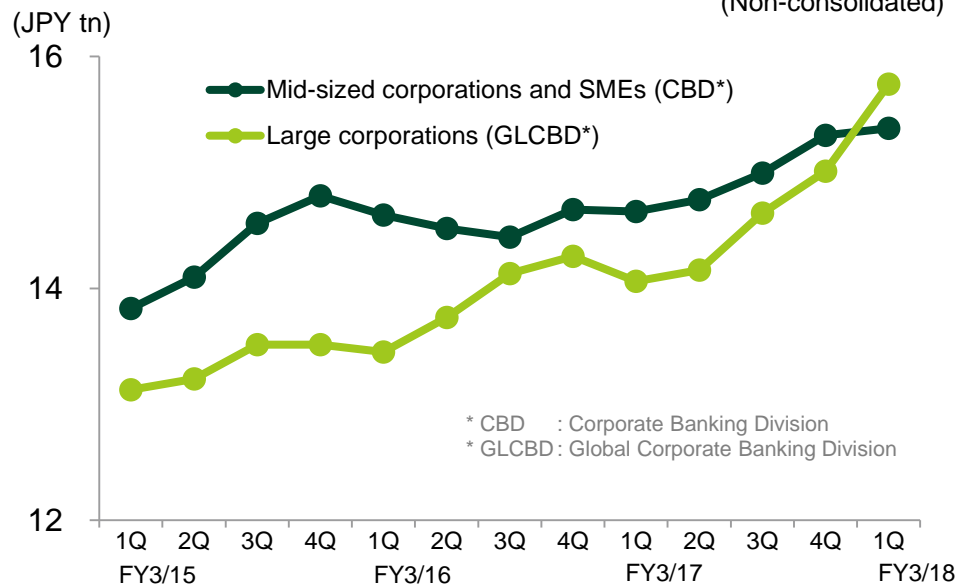
*1 Handling balance for credit and debit cards

*2 Clients using digital channels / (clients using physical branches + clients using digital channels)

Wholesale business

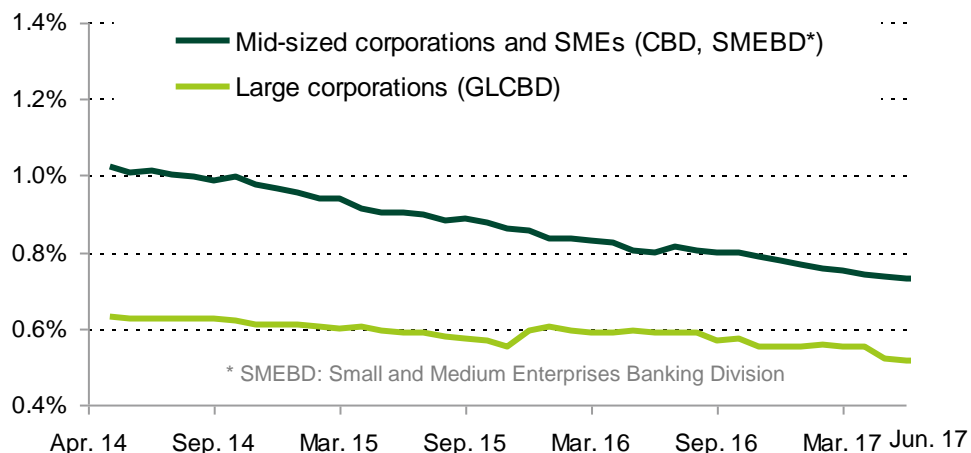
Loan balance of Wholesale Banking Unit^{*1, 2}

(Non-consolidated)



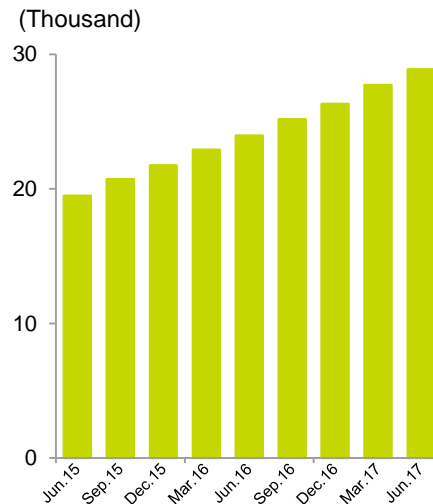
Domestic corporate loan spread^{*1, 3}

(Non-consolidated)

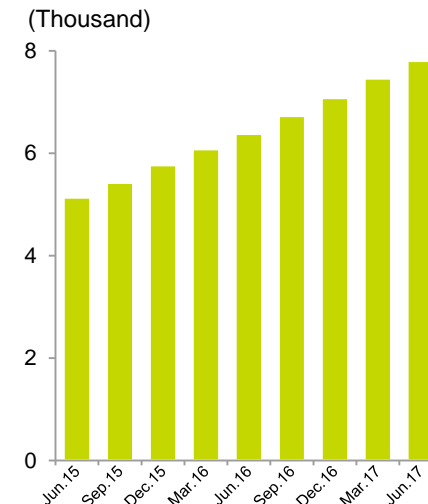


Bank-securities collaboration^{*4}

Asset Management



Investment banking



League tables (Apr. -Jun. 2017)^{*5}

	Rank	Mkt share
Global equity & equity-related (book runner, underwriting amount)^{*6}	#6	9.9%
JPY denominated bonds (lead manager, underwriting amount)^{*7}	#1	19.5%
Financial advisor (M&A, No. of deals)^{*8}	#1	5.5%
Financial advisor (M&A, transaction volume)^{*8}	#2	14.8%
IPO (lead manager, No. of deals)^{*9}	#3	15.4%

*1 Managerial accounting basis. Excludes loans to the Japanese government, etc. *2 Quarterly average *3 Monthly average loan spread of existing loans

*4 Accumulated no. of cases via referral / intermediary services from SMBC to SMBC Nikko

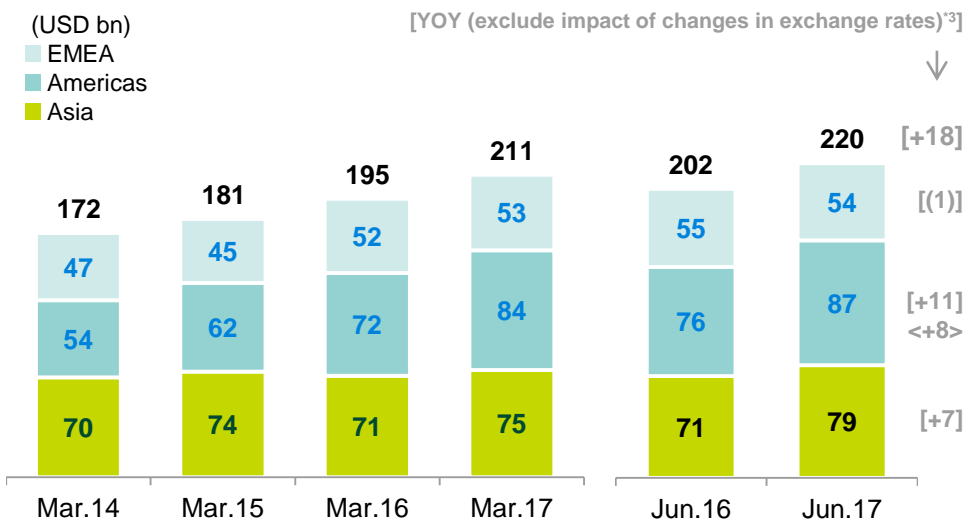
*5 SMBC Nikko Securities for Global equity & equity-related and JPY denominated bonds. SMFG for Financial advisor and IPO. Source: SMBC Nikko, based on data from Thomson Reuters

*6 Japanese corporate related only. Includes overseas offices *7 Consisting of corporate bonds, FILP agency bonds, municipality bonds for proportional shares as lead manager, and samurai bonds

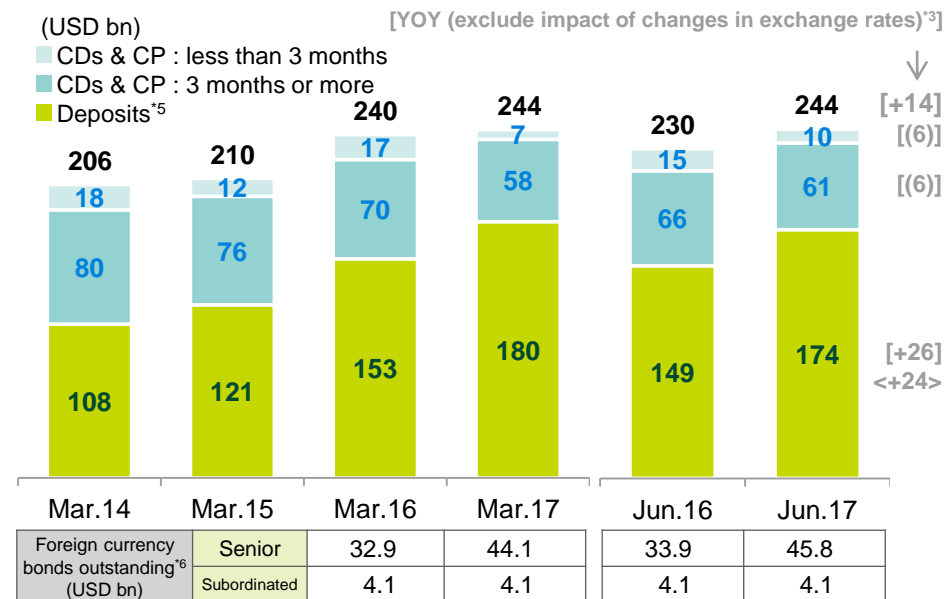
*8 Japanese corporate related only. Group basis *9 Excludes REIT IPO. Includes overseas offices

International business

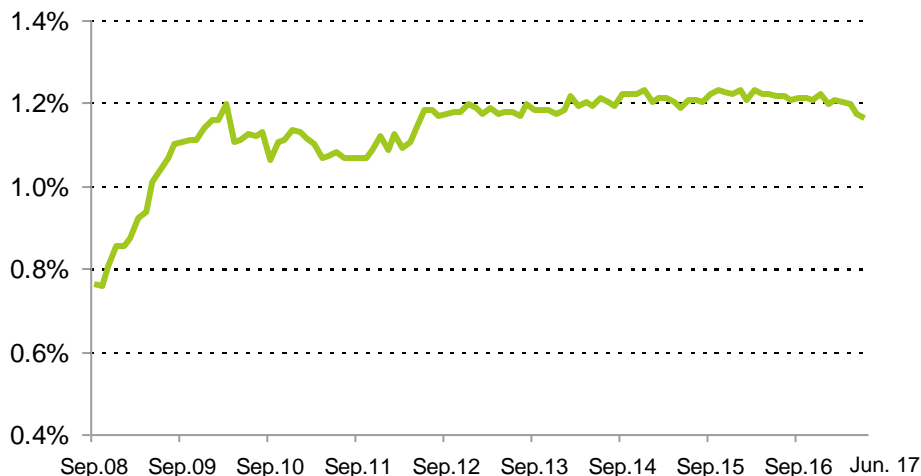
Overseas loan balance (includes trade bills)*1, 2



Overseas deposit balance*1, 2



Overseas loan spread*1, 4



Benchmark issues of foreign currency bonds (since Apr. 2017)

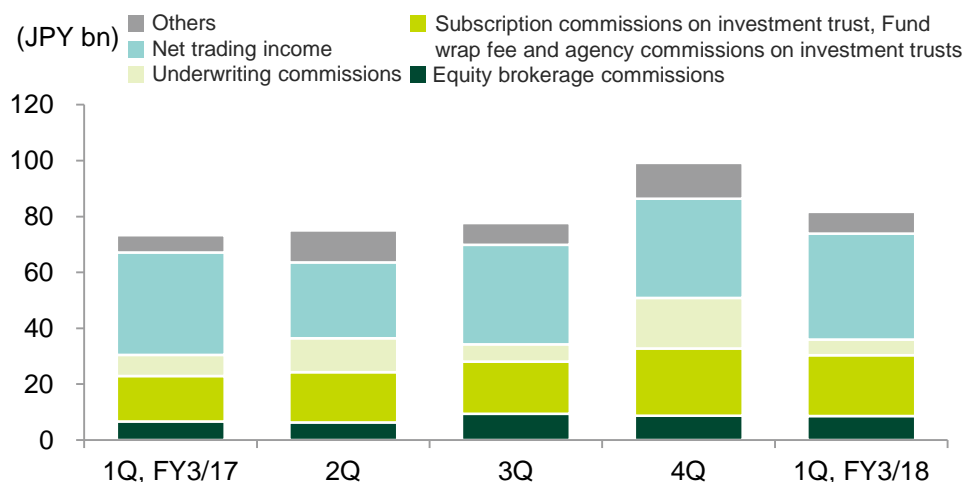
- Senior TLAC bonds issued targeting foreign institutional investors (Jun. 2017)
 - EUR 1.25 bn (5y FRN, 10y FIX)
- Senior TLAC bonds issued targeting foreign institutional investors (Jul. 2017)
 - USD 4.25 bn (5y FIX, 10y FIX, 5y FRN)

*1 Managerial accounting basis. Sum of SMBC, SMBC Europe and SMBC (China). Balance since Mar. 2017 includes balance of SMBC Canada Branch which was newly opened in Nov. 2016 and took over business of wholly-owned subsidiary SMBC of Canada *2 Converted into USD at respective period-end exchange rates *3 Year-on-year changes exclude impact of changes in local currency / USD. Figure in < > is an YoY change excluding the balance of SMBC Canada Branch *4 Monthly average loan spread of existing loans *5 Includes deposits from central banks *6 Bonds issued by SMFG and SMBC

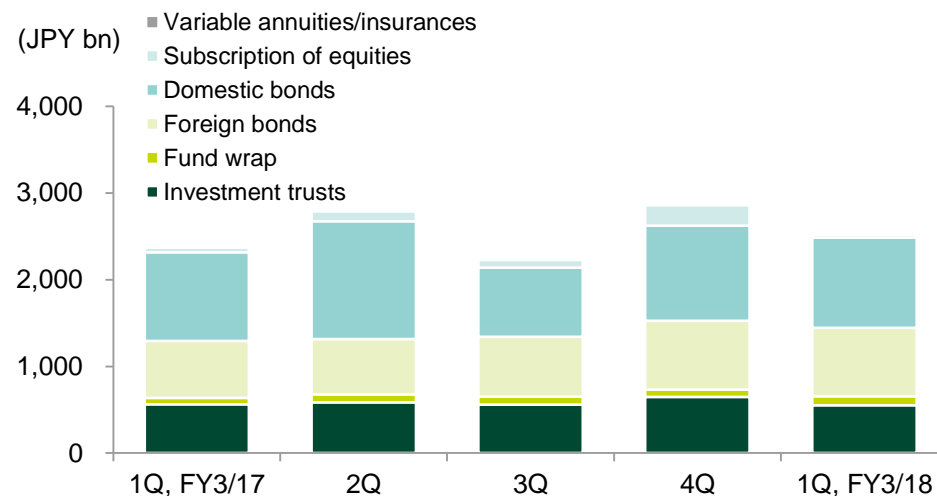
Financial results (consolidated)

(JPY bn)	FY3/17	Apr.-Jun. 2017	YOY change
Net operating revenue	326.7	82.1	+8.5
SG&A expenses	(250.9)	(62.3)	(3.5)
Ordinary income^{*1}	80.0	20.9	+5.2
Profit attributable to owners of parent^{*1,2}	46.9	14.4	+3.7

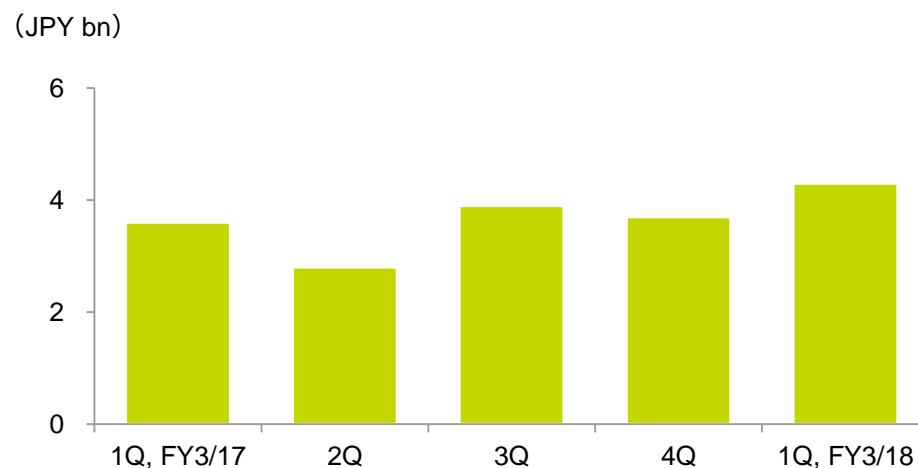
Net operating revenue^{*3}



Product sales^{*4}



Earnings of overseas offices (Overseas offices total)^{*5}



^{*1} Includes profit from overseas equity-method affiliates of SMBC Nikko (consolidated subsidiaries of SMFG) etc.

^{*2} Recorded loss of JPY 12.0 bn as extraordinary loss at SMBC Nikko in FY3/17 on restructuring and liquidation of business alliance with Barclays

^{*3} Fund wrap fee was separated from "Others" and presented as "Fund wrap fee and agency commissions on investment trusts" from 1Q, FY3/18 and 2017 FY 3/17 was adjusted retrospectively

^{*4} Includes sale of fund wrap from 1Q, FY3/18

^{*5} Managerial accounting basis. Overseas offices total is defined as the total of:

- Earnings of SMBC Nikko's consolidated subsidiaries: SMBC Nikko Securities (Hong Kong) and SMBC Nikko Securities (Singapore); and
- Earnings of SMBC Nikko's affiliated companies: Securities Product Group of SMBC Nikko Capital Markets and SMBC Nikko Securities America

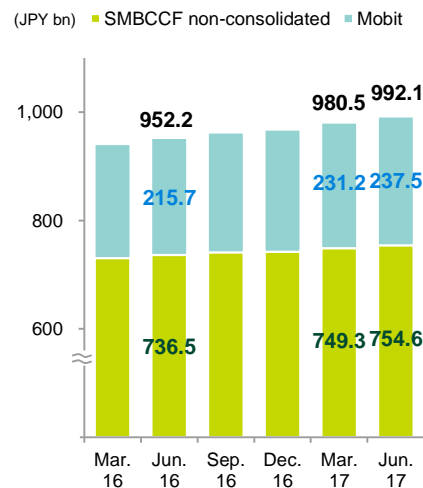
Financial results (Consolidated)

(JPY bn)	FY3/17	Apr.-Jun. 2017	YOY change
Operating income	258.8	67.5	+4.6
Operating expenses	(191.6)	(50.2)	(1.8)
Expenses for loan losses	(54.6)	(18.8)	(1.3)
Ordinary profit	67.4	17.3	+2.8
Profit attributable to owners of parent	111.4	13.5	+0.4

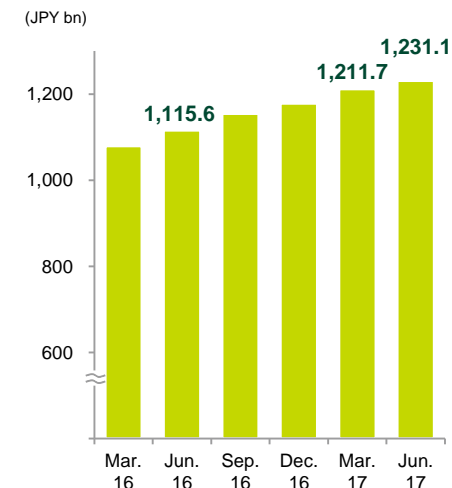
Consumer loans outstanding	1,074.6	1,089.6	Effect of implementing the consolidated corporate-tax system +JPY 50 bn
Allowance on interest repayments	121.6	106.9	
Loan guarantee	1,211.7	1,231.1	No. of companies with guarantee agreements: 189 (as of Jun. 2017)
for regional banks, etc.	561.8	580.8	

Loan guarantee / overseas businesses

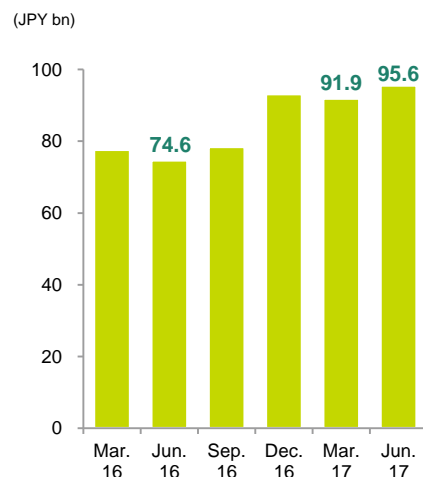
Consumer loans outstanding (domestic)



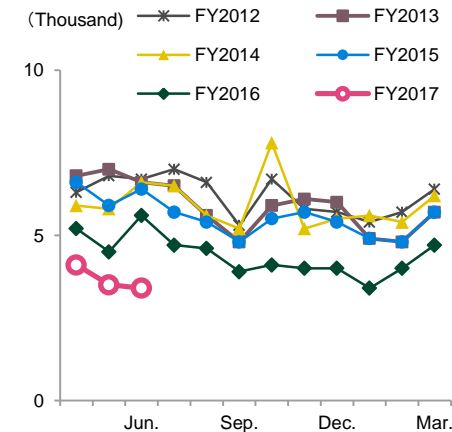
Loan guarantee amount



Consumer loans outstanding (overseas)*

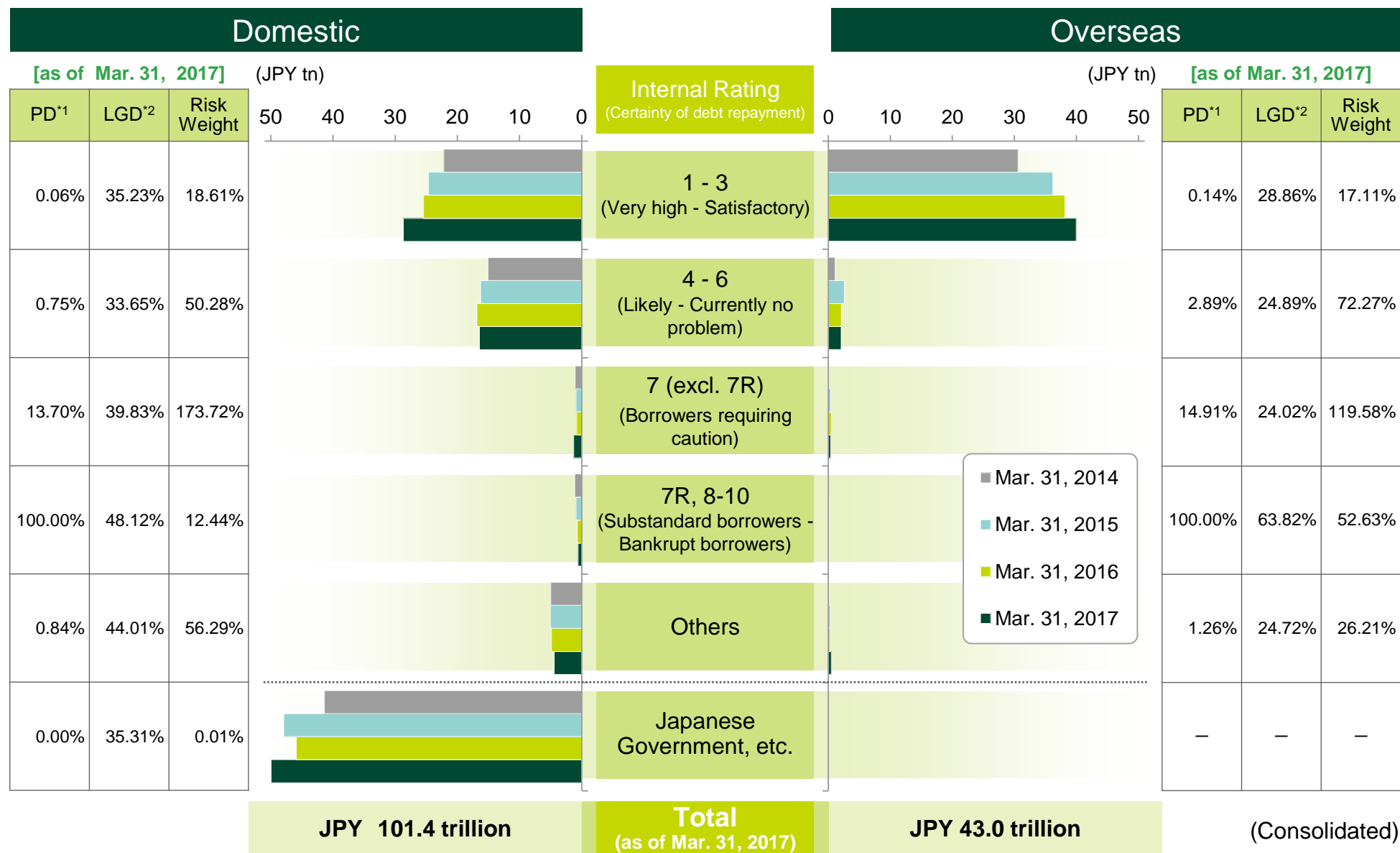


No. of interest refund claims



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

Ref: Corporate, sovereign and bank exposures



*1 Probability of Default. Probability of becoming default by obligor during one year

*2 Loss Given Default. Percentage of loss assumed in the event of default by obligor; ratio of uncollectible amount of the exposure owned in the event of default

Ref: Exposure to resource-related sectors *1

		(JPY tn)	Mar. 16	Ratio to total exposure	Mar. 17	Ratio to total exposure	Jun. 17	Ratio to total exposure
		Integrated Oil & Gas*2	1.5	1.3%	1.3	1.1%	1.5	1.2%
		Services (Drilling, field services)	0.5	0.4%	0.4	0.4%	0.5	0.4%
		Upstream (E&P*3)	1.7	1.4%	1.5	1.2%	1.5	1.3%
		Midstream (Storage/Transportation)	1.4	1.2%	1.4	1.1%	1.4	1.1%
		Downstream (Refining)	0.7	0.6%	0.9	0.7%	0.8	0.7%
		Oil and gas	5.8	5.0%	5.5	4.4%	5.7	4.6%
		Other resources (Mining)	1.1	1.0%	0.9	0.8%	1.0	0.8%
		Non-Japanese*4 (Resource-related sectors)	6.9	6.0%	6.4	5.2%	6.6	5.4%
		o/w Upstream	0.2	0.2%	0.2	0.2%	0.2	0.1%
		Oil and gas	1.6	1.4%	1.3	1.1%	1.3	1.1%
		Other resources (Mining)	0.2	0.2%	0.2	0.2%	0.2	0.2%
		Japanese (Resource-related sectors)	1.8	1.6%	1.5	1.2%	1.6	1.3%
		Resource-related sectors	8.8	7.6%	7.9	6.4%	8.2	6.7%
		Oil and gas	7.4	6.4%	6.8	5.5%	7.0	5.7%
		Other resources (Mining)	1.3	1.1%	1.1	0.9%	1.2	1.0%
		Non-Japanese*4	38	32.9%	41	33.5%	42	34.2%
		Japanese	77	67.1%	82	66.5%	81	65.8%
		SMFG total exposure	115	100.0%	123	100.0%	123	100.0%

- “Oil and gas” does not include petrochemical; Japanese “Other resources (Mining)” does not include general trading companies
- Non-Japanese (resource-related sectors) : Corporate finance approx. 70%; Project finance approx. 30%
- Japanese (resource-related sectors) : Corporate finance 100%. No NPLs
- Exposure to resource-related sectors excluding project finance which are unaffected by resource prices is JPY 7.0 tn; Exposure at default (EAD) to the sectors is JPY 6.2 tn as of Jun. 2017

*1 Loans, commitment lines, guarantees, investments, etc. *2 Majors, state-owned companies, etc. *3 Exploration & Production

*4 Exchange rates using TTM as of Mar. 2016: USD 1 = JPY 112.62, Mar. 2017: USD 1 = JPY 112.19 and Jun. 2017: USD 1 = JPY 111.96