

**Sumitomo Mitsui Financial Group, Inc.**  
 Consolidated financial results for the fiscal year ended March 31, 2019  
 <Under Japanese GAAP>



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Stock exchange listings: Tokyo Stock Exchange, Nagoya Stock Exchange, New York Stock Exchange

 URL: <https://www.smfg.co.jp/english/>

President: Jun Ohta

Date of ordinary general meeting of shareholders: June 27, 2019 Date of payment of year-end dividends: June 28, 2019

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Investors meeting presentation for financial results: Scheduled

Note: Amounts less than one million yen have been rounded down.

**1. Consolidated financial results (for the fiscal year ended March 31, 2019)**
**(1) Operating results (Millions of yen, except per share data and percentages)**

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended March 31, 2019	¥5,735,312	(0.5)%	¥1,135,300	(2.5)%	¥ 726,681	(1.0)%
Fiscal year ended March 31, 2018	5,764,172	12.3	1,164,113	15.7	734,368	3.9

Notes: 1. Comprehensive income:

(a) for the fiscal year ended March 31, 2019: ¥ 795,191 million [(19.2)%]

(b) for the fiscal year ended March 31, 2018: ¥ 984,133 million [1.9%]

2. Percentages shown in ordinary income, ordinary profit, profit attributable to owners of parent and comprehensive income are the increase (decrease) from the previous fiscal year.

	Earnings per share	Earnings per share (Diluted)	Return on net assets	Ordinary profit on total assets	Ordinary profit on ordinary income
Fiscal year ended March 31, 2019	¥ 519.95	¥ 519.59	6.9 %	0.6 %	19.8 %
Fiscal year ended March 31, 2018	520.67	520.27	7.3	0.6	20.2

Note: Equity in gains (losses) of affiliates:

(a) for the fiscal year ended March 31, 2019: ¥61,145 million (b) for the fiscal year ended March 31, 2018: ¥ 38,992 million

**(2) Financial position**

(Millions of yen, except per share data and percentages)

	Total assets	Net assets	Net assets ratio	Net assets per share
As of March 31, 2019	¥ 203,659,146	¥ 11,451,611	5.3 %	¥ 7,715.91
As of March 31, 2018	199,049,128	11,612,892	5.2	7,366.21

Notes: 1. Stockholders' equity:

(a) as of March 31, 2019: ¥ 10,768,320 million (b) as of March 31, 2018: ¥ 10,390,464 million

2. Net assets ratio = {(Net assets - Stock acquisition rights - Non-controlling interests) / Total assets} X 100

**(3) Cash flows**

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Fiscal year ended March 31, 2019	¥ 4,596,242	¥ 1,006,260	¥ (632,819)	¥ 53,120,963
Fiscal year ended March 31, 2018	9,342,794	(3,395,299)	(350,468)	47,983,114

**2. Dividends on common stock**

(Millions of yen, except per share data and percentages)

	Cash dividends per share					Total dividends (annual)	Dividend payout ratio	Ratio of dividends to net assets
	1st quarter	2nd quarter	3rd quarter	4th quarter	Annual			
Fiscal year ended March 31, 2018	¥ —	¥ 80	¥ —	¥ 90	¥ 170	¥ 239,794	32.7 %	2.4 %
ended March 31, 2019	—	85	—	95	180	251,208	34.6	2.4
ending March 31, 2020 (forecast)	—	90	—	90	180		35.9 %	

Notes: 1. Dividend payout ratio = (Total dividends on common stock / Profit attributable to owners of parent) X 100

2. Ratio of dividends to net assets = Total dividends on common stock / {(Beginning balance of Stockholders' equity + Ending balance of Stockholders' equity) / 2} X 100

**3. Earnings forecast on a consolidated basis (for the fiscal year ending March 31, 2020)**

(Millions of yen, except per share data and percentages)

	Profit attributable to owners of parent	Earnings per share
Fiscal year ending March 31, 2020	¥ 700,000 (3.7)%	¥ 501.58

Notes: Forecasted earnings per share is calculated by dividing forecasted profit attributable to owners of parent by the number of issued common stock(excluding treasury stock) as of March 31, 2019.

[Notes]

- (1) There were no changes in material consolidated subsidiaries in the fiscal year.  
 (2) Changes in accounting policies, changes in accounting estimates and restatements  
 (a) Changes in accounting policies due to application of new or revised accounting standards : No  
 (b) Changes in accounting policies due to reasons other than above (a) : No  
 (c) Changes in accounting estimates : No  
 (d) Restatements : No  
 (3) Number of shares issued (common stock)

	As of March 31, 2019	As of March 31, 2018
(a) Number of shares issued (including treasury stocks)	1,399,401,420 shares	1,414,443,390 shares
(b) Number of treasury stocks	3,800,918 shares	3,884,968 shares
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2018
(c) Average number of shares issued in the year	1,397,599,329 shares	1,410,442,212 shares

Note: Number of shares used in calculating “Earnings per share” (on a consolidated basis) is reported on page 14.

[Reference] Summary of financial information on a non-consolidated basis

Non-consolidated financial results (for the fiscal year ended March 31, 2019)

(1) Operating results (Millions of yen, except per share data and percentages)

	Operating income		Operating profit		Ordinary profit		Net income	
Fiscal year ended March 31, 2019	¥ 522,543	42.6%	¥ 347,952	49.5%	¥ 341,203	54.4%	¥ 474,196	106.8%
ended March 31, 2018	366,321	(27.1)	232,787	(45.5)	221,008	(46.7)	229,300	(49.1)
	Earnings per share		Earnings per share (diluted)					
Fiscal year ended March 31, 2019	¥ 339.29		¥ 339.07					
ended March 31, 2018	162.57		162.45					

Note: Percentages shown in operating income, operating profit, ordinary profit and net income are the increase (decrease) from the previous fiscal year.

(2) Financial position (Millions of yen, except per share data and percentages)

	Total assets	Net assets	Net assets ratio	Net assets per share
As of March 31, 2019	¥ 12,991,386	¥ 5,685,011	43.7%	¥ 4,071.70
As of March 31, 2018	12,104,930	5,525,075	45.6	3,914.94

Note: Stockholders' equity

(a) as of March 31, 2019: ¥5,682,471 million (b) as of March 31, 2018: ¥ 5,522,252 million

Note: “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018) has been adopted from the current fiscal year, whereby deferred tax assets are presented under investments and other assets, while deferred tax liabilities are presented under fixed liabilities. This change has been reflected in fiscal year ended March 31, 2018 as well.

[Note on audit procedures]

This report is out of the scope of the external auditor's audit procedures.

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 Sumitomo Mitsui Financial Group, Inc. (“the Company”) and its management with respect to the Company's 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 the Company's securities portfolio; incurrence of significant credit-related costs; the Company's ability to successfully implement its business strategy through its subsidiaries, affiliates and alliance partners; and exposure to new risks as the Company expands the scope of its 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. The Company undertakes no obligation to update or revise any forward-looking statements. Please refer to the Company's most recent disclosure documents such as its annual report on Form 20-F and other documents submitted to the U.S. Securities and Exchange Commission, as well as its earnings press releases, for a more detailed description of the risks and uncertainties that may affect its financial conditions, its operating results, and investors' decisions.

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\* Appendix: Financial results for the fiscal year ended March 31, 2019 supplementary information

## I. Operating and financial review

### 1. Consolidated operating results for the fiscal year ended March 31, 2019 (fiscal 2018)

#### (1) Operating results

In fiscal 2018, net business profit decreased by ¥ 11.6 billion year-on-year to ¥ 1,192.3 billion. The primary reason was the impact of group reorganization including the deconsolidation of THE MINATO BANK, LTD. and Kansai Urban Banking Corporation which became equity method affiliates in the fiscal year ended March 31, 2018. Excluding this impact, it remained nearly flat compared to the previous year as a result of a solid performance of overseas business and group-wide cost control initiatives while wealth management business was sluggish due to the recent deterioration of the market conditions, which performed well in the previous fiscal year.

Total credit cost increased by ¥ 16.1 billion year-on-year to ¥ 110.3 billion, due to reduced gains on reversal of provisions at SMBC.

As a result, ordinary profit decreased by ¥ 28.8 billion year-on-year to ¥ 1,135.3 billion and profit attributable to owners of parent decreased by ¥ 7.7 billion year-on-year to ¥ 726.7 billion.

<b>Consolidated</b>	(Billions of yen)	
	<b>Fiscal year ended March 31, 2019</b>	Change from the fiscal year ended March 31, 2018
Net business profit	¥ 1,192.3	¥ (11.6)
Gross profit	2,846.2	(134.9)
General and administrative expenses	(1,715.1)	101.1
Equity in gains of affiliates	61.1	22.2
Total credit cost	(110.3)	(16.1)
Ordinary profit	1,135.3	(28.8)
Profit attributable to owners of parent	726.7	(7.7)

#### **SMBC non-consolidated**

Banking profit *	¥ 584.1	¥ (33.1)
Gross banking profit	1,395.6	(32.3)
Expenses (excluding non-recurring losses)	(811.5)	(0.8)
Total credit cost	2.2	(24.5)
Ordinary profit	649.6	(105.6)
Net income	477.4	(99.7)

\* Banking profit (before provision for general reserve for possible loan losses)

#### (2) Earnings forecast for the fiscal year ending March 31, 2020 (fiscal 2019)

Earnings forecast for profit attributable to owners of parent is expected to amount to ¥ 700.0 billion.

## 2. Consolidated financial position as of March 31, 2019

### (1) Assets and liabilities

Total assets as of March 31, 2019 were ¥ 203,659.1 billion, a year-on-year increase of ¥ 4,610.0 billion.

As for major account balances, loans and bills discounted increased by ¥ 5,033.3 billion to ¥ 77,979.2 billion year-on-year and deposits increased by ¥ 5,847.5 billion to ¥ 122,325.0 billion year-on-year.

### (2) Net assets

Net assets were ¥ 11,451.6 billion, a year-on-year decrease of ¥ 161.3 billion. Stockholders' equity within net assets was ¥ 9,054.4 billion, a year-on-year increase of ¥ 417.4 billion due to the contribution of profit attributable to owners of parent and the payment of cash dividends.

### (3) Cash flows

The Company generated ¥ 4,596.2 billion in cash flows from operating activities including interest received and paid, net changes in loans and bills discounted and deposits, a year-on-year decrease in cash flows of ¥ 4,746.6 billion, and generated ¥ 1,006.3 billion in cash flows from investing activities including purchases and sale of, securities and tangible fixed assets, a year-on-year increase in cash flows of ¥ 4,401.6 billion, and used ¥ 632.8 billion in cash flows from financing activities including payment of dividends, a year-on-year decrease in cash flows of ¥ 282.4 billion. Consequently, cash and cash equivalents amounted to ¥ 53,121.0 billion, a year-on-year increase of ¥ 5,137.8 billion.

## **II. Basic approach to the selection of accounting standards**

The Company selects Japanese GAAP as our accounting standards.

Since American depository receipts (ADRs) of the Company are listed on the New York Stock Exchange, the Company separately prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), and the Company is considering the possibility of application of IFRS in the future.

### III. Consolidated financial statements

#### 1. Consolidated balance sheets

March 31,	Millions of yen	
	2018	2019
<b>Assets:</b>		
Cash and due from banks .....	¥ 53,732,582	¥ 57,411,276
Call loans and bills bought .....	1,881,879	2,465,744
Receivables under resale agreements .....	827,892	6,429,365
Receivables under securities borrowing transactions .....	8,337,700	4,097,473
Monetary claims bought .....	4,730,770	4,594,578
Trading assets .....	5,585,591	5,328,778
Money held in trust .....	1,482	390
Securities .....	25,712,709	24,338,005
Loans and bills discounted .....	72,945,934	77,979,190
Foreign exchanges .....	2,166,190	1,719,402
Lease receivables and investment assets .....	2,329,431	247,835
Other assets .....	8,005,807	7,307,305
Tangible fixed assets .....	3,475,131	1,504,703
Assets for rent .....	2,553,213	573,292
Buildings .....	341,949	345,420
Land .....	424,277	427,484
Lease assets .....	6,332	25,548
Construction in progress .....	33,971	37,663
Other tangible fixed assets .....	115,387	95,293
Intangible fixed assets .....	865,584	769,231
Software .....	428,756	431,135
Goodwill .....	272,203	193,127
Lease assets .....	163	990
Other intangible fixed assets .....	164,460	143,977
Net defined benefit asset .....	383,418	329,434
Deferred tax assets .....	27,609	40,245
Customers' liabilities for acceptances and guarantees .....	8,575,499	9,564,993
Reserve for possible loan losses .....	(536,088)	(468,808)
Total assets .....	¥ 199,049,128	¥ 203,659,146

(continued)

<b>March 31,</b>	<b>Millions of yen</b>	
	<b>2018</b>	<b>2019</b>
<b>Liabilities:</b>		
Deposits .....	¥ 116,477,534	¥ 122,325,038
Negotiable certificates of deposit .....	11,220,284	11,165,486
Call money and bills sold .....	1,190,928	1,307,778
Payables under repurchase agreements .....	5,509,721	11,462,559
Payables under securities lending transactions .....	7,186,861	1,812,820
Commercial paper .....	2,384,787	2,291,813
Trading liabilities .....	4,402,110	4,219,293
Borrowed money .....	10,829,248	10,656,897
Foreign exchanges .....	865,640	1,165,141
Short-term bonds .....	1,256,600	84,500
Bonds .....	9,057,683	9,227,367
Due to trust account .....	1,328,271	1,352,773
Other liabilities .....	6,348,202	4,873,630
Reserve for employee bonuses .....	84,046	70,351
Reserve for executive bonuses .....	3,861	3,091
Net defined benefit liability .....	39,982	31,816
Reserve for executive retirement benefits .....	2,026	1,374
Reserve for point service program .....	22,244	23,948
Reserve for reimbursement of deposits .....	17,765	7,936
Reserve for losses on interest repayment .....	144,763	147,594
Reserves under the special laws .....	2,397	2,847
Deferred tax liabilities .....	455,234	378,220
Deferred tax liabilities for land revaluation .....	30,539	30,259
Acceptances and guarantees .....	8,575,499	9,564,993
Total liabilities .....	187,436,236	192,207,534
<b>Net assets:</b>		
Capital stock .....	2,338,743	2,339,443
Capital surplus .....	758,215	739,047
Retained earnings .....	5,552,573	5,992,247
Treasury stock .....	(12,493)	(16,302)
Total stockholders' equity .....	8,637,039	9,054,436
Net unrealized gains (losses) on other securities .....	1,688,842	1,688,852
Net deferred gains (losses) on hedges .....	(68,543)	(54,650)
Land revaluation excess .....	37,097	36,547
Foreign currency translation adjustments .....	36,906	50,379
Accumulated remeasurements of defined benefit plans .....	59,121	(7,244)
Total accumulated other comprehensive income .....	1,753,424	1,713,884
Stock acquisition rights .....	2,823	4,750
Non-controlling interests .....	1,219,604	678,540
Total net assets .....	11,612,892	11,451,611
Total liabilities and net assets .....	¥ 199,049,128	¥ 203,659,146

## 2. Consolidated statements of income and consolidated statements of comprehensive income

(Consolidated statements of income)

Year ended March 31,	Millions of yen	
	2018	2019
Ordinary income .....	¥ 5,764,172	¥ 5,735,312
Interest income .....	2,165,788	2,488,904
Interest on loans and discounts .....	1,469,232	1,666,283
Interest and dividends on securities .....	342,013	364,685
Interest on call loans and bills bought .....	19,462	16,551
Interest on receivables under resale agreements .....	24,566	20,457
Interest on receivables under securities borrowing transactions .....	14,619	17,784
Interest on deposits with banks .....	75,619	103,135
Interest on lease transactions .....	70,941	47,573
Other interest income .....	149,333	252,433
Trust fees .....	3,884	4,656
Fees and commissions .....	1,244,063	1,240,917
Trading income .....	246,338	194,676
Other operating income .....	1,863,345	1,578,159
Lease-related income .....	271,703	233,675
Installment-related income .....	1,041,351	981,090
Other .....	550,290	363,393
Other income .....	240,751	227,997
Gains on reversal of reserve for possible loan losses .....	11,562	5,729
Recoveries of written-off claims .....	10,231	11,047
Other .....	218,957	211,220
Ordinary expenses .....	4,600,059	4,600,012
Interest expenses .....	775,560	1,157,482
Interest on deposits .....	283,229	463,989
Interest on negotiable certificates of deposit .....	86,810	136,178
Interest on call money and bills sold .....	8,471	14,270
Interest on payables under repurchase agreements .....	48,597	119,733
Interest on payables under securities lending transactions .....	11,316	1,272
Interest on commercial paper .....	18,393	45,356
Interest on borrowed money .....	54,654	75,883
Interest on short-term bonds .....	54	60
Interest on bonds .....	186,095	226,536
Other interest expenses .....	77,936	74,201
Fees and commissions payments .....	177,418	181,019
Trading losses .....	36	3,305
Other operating expenses .....	1,589,355	1,319,328
Lease-related expenses .....	142,894	120,097
Installment-related expenses .....	987,154	930,884
Other .....	459,305	268,347
General and administrative expenses .....	1,816,197	1,715,050
Other expenses .....	241,491	223,825
Ordinary profit .....	1,164,113	1,135,300



(continued)

<b>Year ended March 31,</b>	<b>Millions of yen</b>	
	<b>2018</b>	<b>2019</b>
Extraordinary gains .....	¥ 866	¥ 2,826
Gains on disposal of fixed assets .....	852	541
Reversal of reserve for eventual future operating losses from financial instruments transactions .....	13	—
Other extraordinary gains .....	—	2,285
Extraordinary losses .....	56,129	14,547
Losses on disposal of fixed assets .....	5,563	4,485
Losses on impairment of fixed assets .....	49,900	9,610
Provision for reserve for eventual future operating losses from financial instruments transactions .....	665	450
Income before income taxes .....	1,108,850	1,123,579
Income taxes-current .....	225,617	276,329
Income taxes-deferred .....	44,907	55,095
Income taxes .....	270,524	331,424
Profit .....	838,326	792,155
Profit attributable to non-controlling interests .....	103,957	65,474
Profit attributable to owners of parent .....	¥ 734,368	¥ 726,681

**(Consolidated statements of comprehensive income)**

<b>Year ended March 31,</b>	<b>Millions of yen</b>	
	<b>2018</b>	<b>2019</b>
Profit .....	¥ 838,326	¥ 792,155
Other comprehensive income .....	145,807	3,035
Net unrealized gains (losses) on other securities .....	162,673	31,157
Net deferred gains (losses) on hedges .....	(28,659)	29,981
Land revaluation excess .....	1	—
Foreign currency translation adjustments .....	(50,387)	10,396
Remeasurements of defined benefit plans .....	49,221	(65,530)
Share of other comprehensive income of affiliates .....	12,957	(2,970)
Total comprehensive income .....	984,133	795,191
Comprehensive income attributable to owners of parent .....	876,353	687,690
Comprehensive income attributable to non-controlling interests ...	107,780	107,500

### 3. Consolidated statements of changes in net assets

Year ended March 31, 2018	Millions of yen				
	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total
Balance at the beginning of the fiscal year .....	¥ 2,337,895	¥ 757,346	¥ 5,036,756	¥ (12,913)	¥ 8,119,085
Changes in the fiscal year					
Issuance of new stock.....	847	847			1,695
Cash dividends .....			(218,596)		(218,596)
Profit attributable to owners of parent .....			734,368		734,368
Purchase of treasury stock .....				(142)	(142)
Disposal of treasury stock .....		(41)		562	521
Changes in shareholders' interest due to transaction with non-controlling interests .....		62			62
Increase due to increase in subsidiaries .....			34		34
Increase due to decrease in subsidiaries .....			5		5
Decrease due to increase in subsidiaries .....			(599)		(599)
Decrease due to decrease in subsidiaries .....			(2)		(2)
Decrease due to decrease in affiliates accounted for by the equity method .....			(314)		(314)
Reversal of land revaluation excess .....			923		923
Net changes in items other than stockholders' equity in the fiscal year .....					
Net changes in the fiscal year .....	847	868	515,817	420	517,954
Balance at the end of the fiscal year .....	¥ 2,338,743	¥ 758,215	¥ 5,552,573	¥ (12,493)	¥ 8,637,039

Year ended March 31, 2018	Millions of yen					
	Accumulated other comprehensive income					
	Net unrealized gains (losses) on other securities	Net deferred gains (losses) on hedges	Land revaluation excess	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans	Total
Balance at the beginning of the fiscal year .....	¥ 1,542,308	¥ (42,077)	¥ 38,109	¥ 65,078	¥ 9,034	¥ 1,612,453
Changes in the fiscal year						
Issuance of new stock.....						
Cash dividends .....						
Profit attributable to owners of parent .....						
Purchase of treasury stock .....						
Disposal of treasury stock .....						
Changes in shareholders' interest due to transaction with non-controlling interests .....						
Increase due to increase in subsidiaries .....						
Increase due to decrease in subsidiaries .....						
Decrease due to increase in subsidiaries .....						
Decrease due to decrease in subsidiaries .....						
Decrease due to decrease in affiliates accounted for by the equity method .....						
Reversal of land revaluation excess .....						
Net changes in items other than stockholders' equity in the fiscal year .....	146,533	(26,466)	(1,012)	(28,171)	50,087	140,971
Net changes in the fiscal year .....	146,533	(26,466)	(1,012)	(28,171)	50,087	140,971
Balance at the end of the fiscal year .....	¥ 1,688,842	¥ (68,543)	¥ 37,097	¥ 36,906	¥ 59,121	¥ 1,753,424

(Continued)

	Millions of yen		
	Stock acquisition rights	Non-controlling interests	Total net assets
<b>Year ended March 31, 2018</b>			
Balance at the beginning of the fiscal year .....	¥ 3,482	¥ 1,499,264	¥ 11,234,286
Changes in the fiscal year			
Issuance of new stock .....			1,695
Cash dividends .....			(218,596)
Profit attributable to owners of parent .....			734,368
Purchase of treasury stock .....			(142)
Disposal of treasury stock .....			521
Changes in shareholders' interest due to transaction with non-controlling interests .....			62
Increase due to increase in subsidiaries .....			34
Increase due to decrease in subsidiaries .....			5
Decrease due to increase in subsidiaries .....			(599)
Decrease due to decrease in subsidiaries .....			(2)
Decrease due to decrease in affiliates accounted for by the equity method .....			(314)
Reversal of land revaluation excess .....			923
Net changes in items other than stockholders' equity in the fiscal year .....	(659)	(279,659)	(139,348)
Net changes in the fiscal year .....	(659)	(279,659)	378,606
Balance at the end of the fiscal year .....	¥ 2,823	¥ 1,219,604	¥ 11,612,892

	Millions of yen				
	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total
<b>Year ended March 31, 2019</b>					
Balance at the beginning of the fiscal year .....	¥ 2,338,743	¥ 758,215	¥ 5,552,573	¥ (12,493)	¥ 8,637,039
Changes in the fiscal year					
Issuance of new stock .....	699	699			1,398
Cash dividends .....			(245,576)		(245,576)
Profit attributable to owners of parent .....			726,681		726,681
Purchase of treasury stock .....				(70,094)	(70,094)
Disposal of treasury stock .....		(68)		363	294
Cancellation of treasury stock .....		(65,922)		65,922	-
Changes in shareholders' interest due to transaction with non-controlling interests .....		4,419			4,419
Increase due to increase in subsidiaries .....			0		0
Increase due to decrease in subsidiaries .....			4		4
Decrease due to increase in subsidiaries .....			(11)		(11)
Decrease due to decrease in subsidiaries .....			(23)		(23)
Reversal of land revaluation excess .....			302		302
Transfer from retained earnings to capital surplus .....		41,704	(41,704)		-
Net changes in items other than stockholders' equity in the fiscal year .....					
Net changes in the fiscal year .....	699	(19,167)	439,673	(3,809)	417,396
Balance at the end of the fiscal year .....	¥ 2,339,443	¥ 739,047	¥ 5,992,247	¥ (16,302)	¥ 9,054,436

(Continued)

	Millions of yen					Total
	Accumulated other comprehensive income					
<b>Year ended March 31, 2019</b>	Net unrealized gains (losses) on other securities	Net deferred gains (losses) on hedges	Land revaluation excess	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans	
Balance at the beginning of the fiscal year .....	¥ 1,688,842	¥ (68,543)	¥ 37,097	¥ 36,906	¥ 59,121	¥ 1,753,424
Changes in the fiscal year						
Issuance of new stock .....						
Cash dividends .....						
Profit attributable to owners of parent .....						
Purchase of treasury stock .....						
Disposal of treasury stock .....						
Cancellation of treasury stock.....						
Changes in shareholders' interest due to transaction with non-controlling interests .....						
Increase due to increase in subsidiaries .....						
Increase due to decrease in subsidiaries .....						
Decrease due to increase in subsidiaries .....						
Decrease due to decrease in subsidiaries .....						
Reversal of land revaluation excess .....						
Transfer from retained earnings to capital surplus.....						
Net changes in items other than stockholders' equity in the fiscal year .....	10	13,893	(549)	13,473	(66,366)	(39,540)
Net changes in the fiscal year .....	10	13,893	(549)	13,473	(66,366)	(39,540)
Balance at the end of the fiscal year .....	¥ 1,688,852	¥ (54,650)	¥ 36,547	¥ 50,379	¥ (7,244)	¥ 1,713,884

	Millions of yen		
	Stock acquisition rights	Non-controlling interests	Total net assets
<b>Year ended March 31, 2019</b>			
Balance at the beginning of the fiscal year .....	¥ 2,823	¥ 1,219,604	¥ 11,612,892
Changes in the fiscal year			
Issuance of new stock .....			1,398
Cash dividends .....			(245,576)
Profit attributable to owners of parent .....			726,681
Purchase of treasury stock .....			(70,094)
Disposal of treasury stock .....			294
Cancellation of treasury stock.....			-
Changes in shareholders' interest due to transaction with non-controlling interests .....			4,419
Increase due to increase in subsidiaries .....			0
Increase due to decrease in subsidiaries .....			4
Decrease due to increase in subsidiaries .....			(11)
Decrease due to decrease in subsidiaries .....			(23)
Reversal of land revaluation excess .....			302
Transfer from retained earnings to capital surplus.....			-
Net changes in items other than stockholders' equity in the fiscal year .....	1,926	(541,063)	(578,677)
Net changes in the fiscal year .....	1,926	(541,063)	(161,280)
Balance at the end of the fiscal year .....	¥ 4,750	¥ 678,540	¥ 11,451,611

#### 4. Consolidated statements of cash flows

Year ended March 31,	Millions of yen	
	2018	2019
<b>Cash flows from operating activities:</b>		
Income before income taxes .....	¥ 1,108,850	¥ 1,123,579
Depreciation .....	281,535	269,010
Losses on impairment of fixed assets .....	49,900	9,610
Amortization of goodwill .....	25,225	25,919
Gains on step acquisitions .....	—	(2,285)
Equity in (gains) losses of affiliates .....	(38,992)	(61,145)
Net change in reserve for possible loan losses .....	(67,041)	(60,213)
Net change in reserve for employee bonuses .....	10,570	(16,467)
Net change in reserve for executive bonuses .....	821	(757)
Net change in net defined benefit asset and liability .....	(36,499)	(25,570)
Net change in reserve for executive retirement benefits .....	(244)	(196)
Net change in reserve for point service program .....	637	1,704
Net change in reserve for reimbursement of deposits .....	3,704	(9,828)
Net change in reserve for losses on interest repayment .....	(11,939)	2,830
Interest income .....	(2,165,788)	(2,488,904)
Interest expenses .....	775,560	1,157,482
Net (gains) losses on securities .....	(142,228)	(101,219)
Net (gains) losses from money held in trust .....	(0)	(0)
Net exchange (gains) losses .....	323,045	(148,278)
Net (gains) losses from disposal of fixed assets .....	4,710	3,944
Net change in trading assets .....	1,475,948	477,890
Net change in trading liabilities .....	(796,943)	(1,603,188)
Net change in loans and bills discounted .....	761,992	(3,152,247)
Net change in deposits .....	6,079,437	5,039,495
Net change in negotiable certificates of deposit .....	(472,574)	(73,017)
Net change in borrowed money (excluding subordinated borrowings) .....	59,482	1,418,493
Net change in deposits with banks .....	(1,359,236)	1,520,423
Net change in call loans and bills bought and others .....	(338,019)	(6,235,713)
Net change in receivables under securities borrowing transactions .....	422,690	4,240,226
Net change in call money and bills sold and others .....	2,059,841	6,097,354
Net change in commercial paper .....	108,893	(95,014)
Net change in payables under securities lending transactions .....	(168,890)	(5,374,040)
Net change in foreign exchanges (assets) .....	(453,061)	446,136
Net change in foreign exchanges (liabilities) .....	183,504	298,550
Net change in lease receivables and investment assets .....	26,591	(53,975)
Net change in short-term bonds (liabilities) .....	131,000	(51,200)
Issuance and redemption of bonds (excluding subordinated bonds) .....	860,316	467,587
Net change in due to trust account .....	147,294	24,502
Interest received .....	2,121,086	2,435,453
Interest paid .....	(756,202)	(1,116,584)
Other, net .....	(768,910)	489,142
Subtotal .....	9,446,071	4,879,488
Income taxes paid .....	(103,276)	(283,245)
Net cash provided by (used in) operating activities .....	9,342,794	4,596,242

(continued)

Year ended March 31,	Millions of yen	
	2018	2019
<b>Cash flows from investing activities:</b>		
Purchases of securities .....	(23,726,100)	(26,615,239)
Proceeds from sale of securities .....	13,528,011	17,969,410
Proceeds from redemption of securities .....	8,357,784	10,078,569
Purchases of money held in trust .....	(1)	(2)
Proceeds from sale of money held in trust .....	1,957	1,094
Purchases of tangible fixed assets .....	(712,563)	(510,213)
Proceeds from sale of tangible fixed assets .....	302,362	104,451
Purchases of intangible fixed assets .....	(136,079)	(139,329)
Proceeds from sale of intangible fixed assets .....	3	—
Purchases of stocks of subsidiaries resulting in change in scope of consolidation .....	(161,851)	(57,182)
Proceeds from sale of stocks of subsidiaries resulting in change in scope of consolidation .....	(848,822)	174,702
Net cash provided by (used in) investing activities .....	<u>(3,395,299)</u>	<u>1,006,260</u>
<b>Cash flows from financing activities:</b>		
Repayment of subordinated borrowings .....	(10,000)	(8,000)
Proceeds from issuance of subordinated bonds and bonds with stock acquisition rights .....	254,747	—
Redemption of subordinated bonds and bonds with stock acquisition rights .....	(180,033)	(27,539)
Dividends paid .....	(218,569)	(245,594)
Repayment to non-controlling stockholders .....	(135,000)	(212,537)
Dividends paid to non-controlling stockholders .....	(61,986)	(77,185)
Purchases of treasury stock .....	(142)	(70,094)
Proceeds from disposal of treasury stock .....	521	294
Purchases of stocks of subsidiaries not resulting in change in scope of consolidation .....	(6)	—
Proceeds from sale of stocks of subsidiaries not resulting in change in scope of consolidation .....	0	7,837
Net cash provided by (used in) financing activities .....	<u>(350,468)</u>	<u>(632,819)</u>
Effect of exchange rate changes on cash and cash equivalents .....	(93,874)	166,646
Net change in cash and cash equivalents .....	<u>5,503,152</u>	<u>5,136,329</u>
Cash and cash equivalents at the beginning of the fiscal year .....	42,478,393	47,983,114
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation .....	1,568	1,519
Cash and cash equivalents at the end of the fiscal year .....	<u>¥ 47,983,114</u>	<u>¥ 53,120,963</u>

## 5. Notes to consolidated financial statements

### (Note on going concern)

Not applicable.

### (Segment information)

#### 1. Information on profit and loss amount by reportable segment

Fiscal year ended March 31, 2019	Millions of yen					
	Wholesale Business Unit	Retail Business Unit	International Business Unit	Global Markets Business Unit	Head office account and others	Total
Consolidated gross profit .....	¥ 784,886	¥ 1,281,574	¥ 689,603	¥ 333,572	¥ (243,457)	¥ 2,846,178
General and administrative expenses .....	(345,133)	(1,021,383)	(333,382)	(54,239)	39,087	(1,715,050)
Others .....	45,109	14,445	38,911	19,127	(56,447)	61,145
Consolidated net business profit .....	<u>¥ 484,862</u>	<u>¥ 274,637</u>	<u>¥ 395,131</u>	<u>¥ 298,460</u>	<u>¥ (260,818)</u>	<u>¥ 1,192,273</u>

- Notes:
1. Figures shown in the parenthesis represent the loss.
  2. "Others" includes equity in profit and loss of affiliates and cooperated profit and loss based on internal managerial accounting.
  3. "Head office account and others" includes profit or loss to be eliminated as inter-segment transactions.

#### 2. Difference between total amount of consolidated net business profit by reportable segment and ordinary profit on consolidated statements of income (adjustment of difference)

Fiscal year ended March 31, 2019	Millions of yen
Consolidated net business profit .....	¥ 1,192,273
Other ordinary income (excluding equity in gains of affiliates) .....	166,851
Other ordinary expenses .....	(223,825)
Ordinary profit on consolidated statements of income .....	<u>¥ 1,135,300</u>

Note: Figures shown in the parenthesis represent the loss.

**(Per share data)**

As of and year ended March 31, 2019	Yen
Net assets per share .....	¥ 7,715.91
Earnings per share .....	519.95
Earnings per share (diluted) .....	519.59

**(Notes)**

1. Earnings per share and earnings per share (diluted) are calculated based on the followings:

Year ended March 31, 2019	Millions of yen, except number of shares
<b>Earnings per share</b>	
Profit attributable to owners of parents .....	¥ 726,681
Amount not attributable to common stockholders .....	—
Profit attributable to owners of parents attributable to common stock .....	726,681
Average number of common stock during the fiscal year (in thousands) .....	1,397,599
<b>Earnings per share (diluted)</b>	
Adjustment for profit attributable to owners of parents .....	(21)
Adjustment of dilutive shares issued by consolidated subsidiaries and equity method affiliates.....	(21)
Increase in number of common stock (in thousands) .....	923
Stock acquisition rights (in thousands) .....	923
Outline of dilutive shares which were not included in the calculation of “Earnings per share (diluted)” because they do not have dilutive effect:	—

2. Net assets per share is calculated based on the followings:

March 31, 2019	Millions of yen, except number of shares
Net assets .....	¥ 11,451,611
Amount excluded from Net assets .....	683,290
Stock acquisition rights .....	4,750
Non-controlling interests .....	678,540
Net assets attributable to common stock at the fiscal year-end .....	10,768,320
Number of common stock at the fiscal year-end used for the calculation of Net assets per share (in thousands) .....	1,395,600



**(Significant subsequent events)**

## Repurchase and cancellation of own shares

The Company's board of directors resolved on May 15, 2019 to repurchase its own shares under Article 8 of its Articles of Incorporation pursuant to Paragraph 1 of Article 459 of the Companies Act and cancel the repurchased shares pursuant to Article 178 of the Companies Act.

## 1. Reason for the repurchase of own shares

The Company will proceed with a flexible repurchase of its own shares in order to enhance shareholder returns and improve capital efficiency.

## 2. Outline of the repurchase

- |     |   |   |
|-----|---|---|
| (1) | Type of shares to be repurchased:             | Common stock  |
| (2) | Aggregate number of shares to be repurchased: | Up to 32,000,000 shares<br>(Equivalent to 2.3% of the number of shares issued (excluding treasury stock)) |
| (3) | Aggregate amount to be repurchased:           | Up to JPY 100,000,000,000   |
| (4) | Repurchase period:                            | From May 16, 2019 to August 30, 2019  |
| (5) | Repurchase method:                            | Market purchases based on a discretionary dealing contract regarding repurchase of its own shares         |

## 3. Outline of the cancellation

- |     |                                   |  |
|-----|-----------------------------------|--|
| (1) | Type of shares to be cancelled:   | Common stock                                       |
| (2) | Number of shares to be cancelled: | All of the shares repurchased as stated in 2 above |
| (3) | Scheduled cancellation date:      | September 20, 2019                                 |