

Overview of 1Q FY3/2026

July 31, 2025

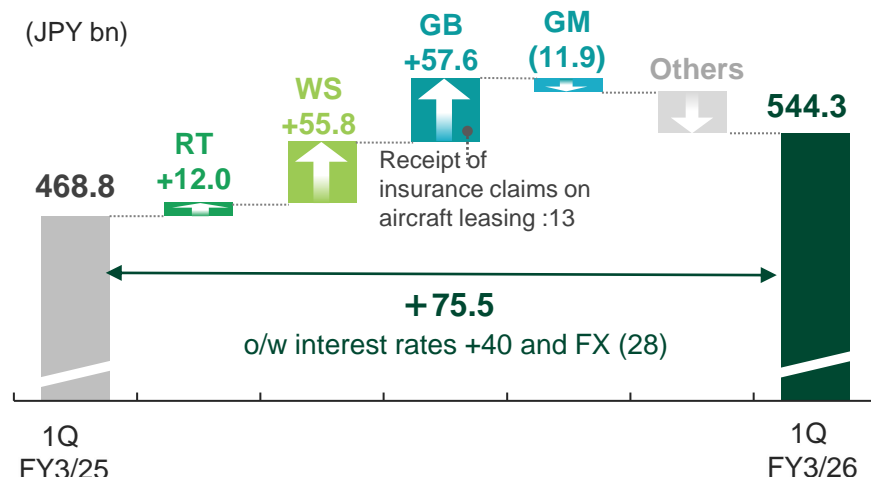


SUMITOMO MITSUI
FINANCIAL GROUP

Financial highlights

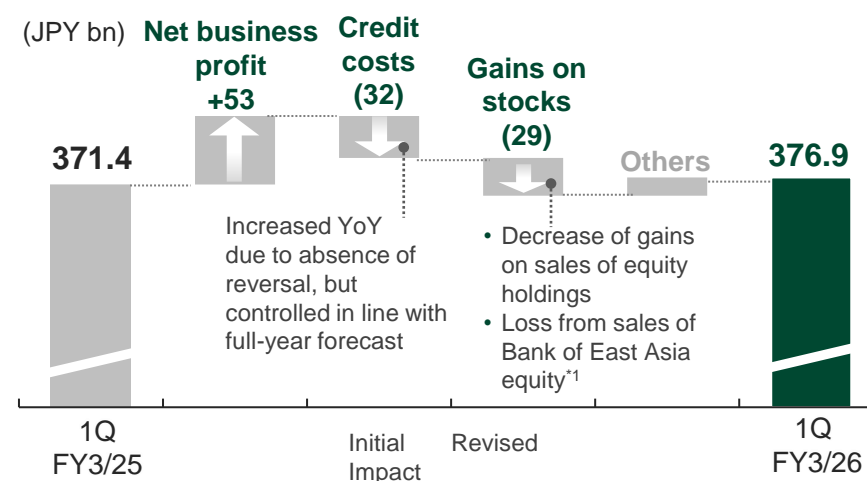
- ◆ Progress rates for both consolidated business profit and bottom-line profit are 29%.
- ◆ The anticipated negative impact of JPY 100 bn from U.S. tariffs has not yet materialized.

Net consolidated business profit



RT	Deposit growth through Olive and rising interest rates expanded income on deposit.
WS	Loans for large corporates increased by 18% YoY. Fee income also increased.
GB	Income on loan and deposit increased due to ROE-focused operations, with strong fee income.
GM	Income was weak during the market turmoil in April, but recovered from May onwards.

Bottom-line profit



Estimated impact of the U.S. tariffs

		Assumption		Impact	Jun.25
		Initial	Revised		
Rates	10-year JGB (%)	1.5	1.3		1.43
FX	USD (JPY)	145	140	(62.5)	144.81
Stock	Nikkei index (JPY)	41,000	37,000		40,487
Business	Wealth management, Domestic wholesale, Multi-Franchise strategy			(37.5)	
Bottom-line profit				(100)	bn

*1 Partially sold equity and removed from equity method affiliates, recording loss of JPY 28 bn (before tax)

Income statement

Plan for
Fulfilled Growth

	(JPY bn)	1Q FY3/26	YoY	FY3/26 target
1 Consolidated gross profit		1,087.8	+57.9	
G&A expenses		599.7	+7.3	
2 Overhead ratio		55.1%	(2.4)%	
3 Equity in gains (losses) of affiliates	Progress	56.2	+24.8	
4 Consolidated net business profit	29%	544.3	+75.5	1,850
5 Total credit cost		75.6	+46.4	300
6 Gains (losses) on stocks		41.1	(41.3)	
7 Other income (expenses)		(26.4)	(25.3)	
8 Ordinary profit		483.3	(37.6)	1,800
9 Extraordinary gains (losses)		(1.8)	+0.9	
10 Income taxes		102.2	(42.6)	
11 Profit attributable to owners of parent	29%	376.9	+5.5	1,300
12 ROE incl. OCI ^{*2}		10.4%	+0.3%	
13 ROE ^{*3}		13.6%	(0.2)%	

- **Consolidated gross profit:** increased YoY due to
1) increase of income on loan and deposit in domestic,
2) good performance of payment business and consumer finance, and
3) increase of fee income in domestic wholesale business.
Impact of FX^{*1}: (44)
- **G&A expenses:** despite inflation and increased revenue-linked variable costs, the overhead ratio has improved due to top-line growth.
Impact of FX^{*1}: (20)
- **Equity in gains of affiliates:** increased YoY due to the insurance settlement at SMBCAC (+13) and profit from removing Bank of East Asia from equity method affiliates.
Impact of FX^{*1}: (4)
- **Total credit cost:** controlled in line with full-year forecast, though increased YoY due to the absence of reversal.
- **Gains on stocks:** decreased due to gains on sales of equity holdings: 60 (YoY(23)), and loss from sales of Bank of East Asia equity: (28)

*1 Impact of FX on SMBC overseas branch: transaction date rate, overseas subsidiary: end-of-period rate

*2 Denominator: Shareholder's equity + total accumulated other comprehensive income

*3 Based on shareholder's equity

SMBC

	(JPY bn)	1Q FY3/26	YoY	FY3/26 target
1 Gross banking profit		578.5	+59.0	
2 o/w Net interest income		416.1	+97.7	
3 o/w Gains (losses) on cancellation of investment trusts		19.2	(2.6)	
4 Domestic		254.6	+74.6	
5 Overseas		161.4	+23.1	
6 o/w Net fees and commissions		131.7	+4.2	
7 Domestic		55.0	(3.6)	
8 Overseas		76.6	+7.8	
9 o/w Net trading income+ Net other operating income		29.7	(43.2)	
10 o/w Gains (losses) on bonds		14.4	+4.4	
11 Expenses		271.9	+4.6	
12 Banking profit		306.6	+54.4	1,090
13 Total credit cost		5.4	+34.5	60
14 Gains (losses) on stocks		59.5	(22.6)	
15 Extraordinary gains (losses)		(22.3)	(31.1)	
16 Net income		253.6	(7.9)	990

Other major group companies

(left : results of 1Q FY3/26 / right : YoY)

(JPY bn)	SMBC Nikko ^{*1}		SMCC ^{*2}		SMBC Trust	
Gross profit	122.8	(6.1)	213.6	+11.8	17.4	+2.6
Expenses	105.0	(0.5)	156.1	+17.7	(10.9)	+0.8
Net business profit	17.8	(5.6)	60.5	+0.7	6.4	+1.8
Net income	19.6	(0.4)	32.2	+16.7 ^{*3}	6.1	+2.7

(Equity method affiliate)

	SMDAM ^{*4} 50%		SMFL ^{*4} 50%	
Gross profit	10.3	+0.2	96.9	+11.5
Expenses	7.9	+0.0	42.9	+10.0
Net business profit	2.4	+0.2	56.8	+0.8
Net income	0.8	+0.0	41.3	+8.3

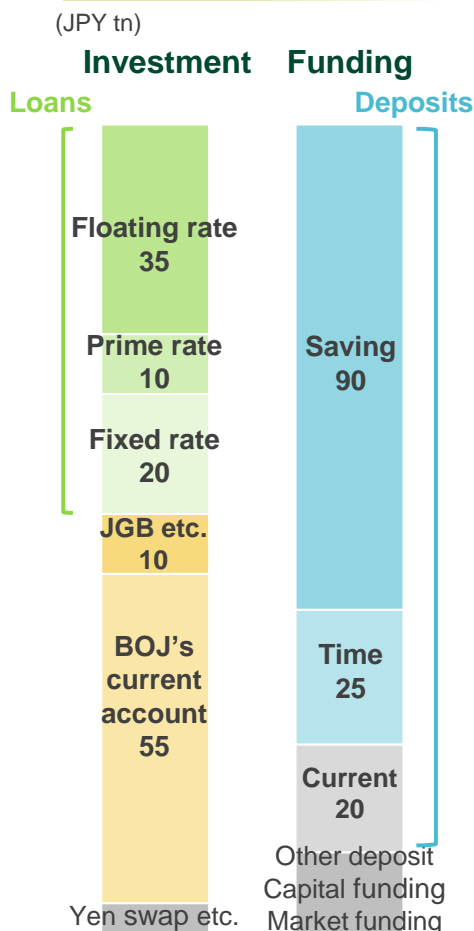
*1 Incl. profits from SMBC Nikko America and SMBC Capital Markets (managerial accounting basis) *2 Incl. SMBCCF

*3 Excl. the gain on extinguishment of tie-in shares related to the merger with SMCFS *4 Managerial accounting basis

Simulation of rise on JPY interest rate

The impact of rising interest rates may reach to JPY 200 bn (+JPY 110 bn YoY, o/w JPY 40 bn in 1Q), as the recent rise in long-term interest rates likely preventing the expected JPY 20 bn decline.

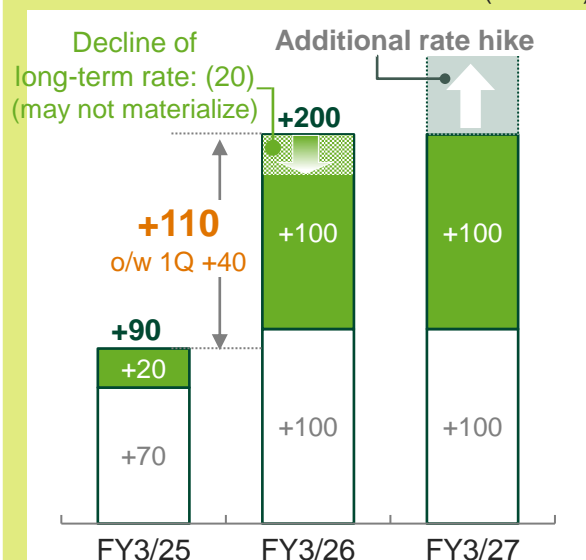
B/S JPY 140 tn^{*1}



Impact on net interest income^{*2}



Profit contribution (JPY bn)



Assumptions

Floating rate loans	+25bps	Saving deposits	+10bps
Prime rate loans	+25bps	Time deposits	+15bps
Fixed rate loans	+25bps		
JGB	+25bps		
BoJ's current account	+25bps		

Gradually build JGB portfolio while monitoring environment

*1 As of Jun. 25 *2 Based on assumption of no change in balance sheet

*3 +25bps increase in both short-term and long-term rate

Consolidated gross profit

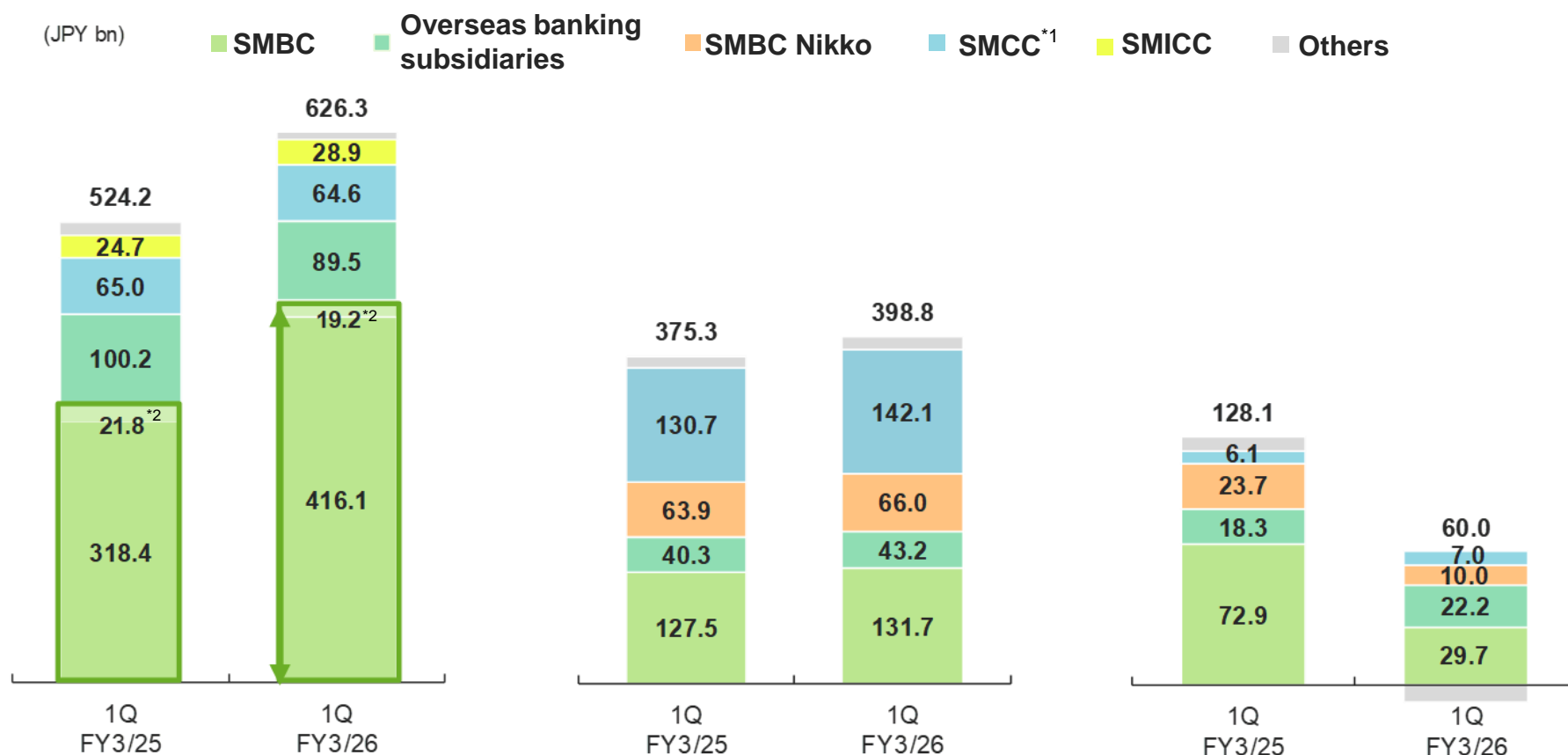
Plan for
Fulfilled Growth

Net interest income increased due to growth in domestic loans, improved margins, and policy rate hikes.
Net trading and other operating income decreased due to a struggle during the market turmoil in April.

Net interest income

Net fees and commissions

Net trading income + Net other operating income



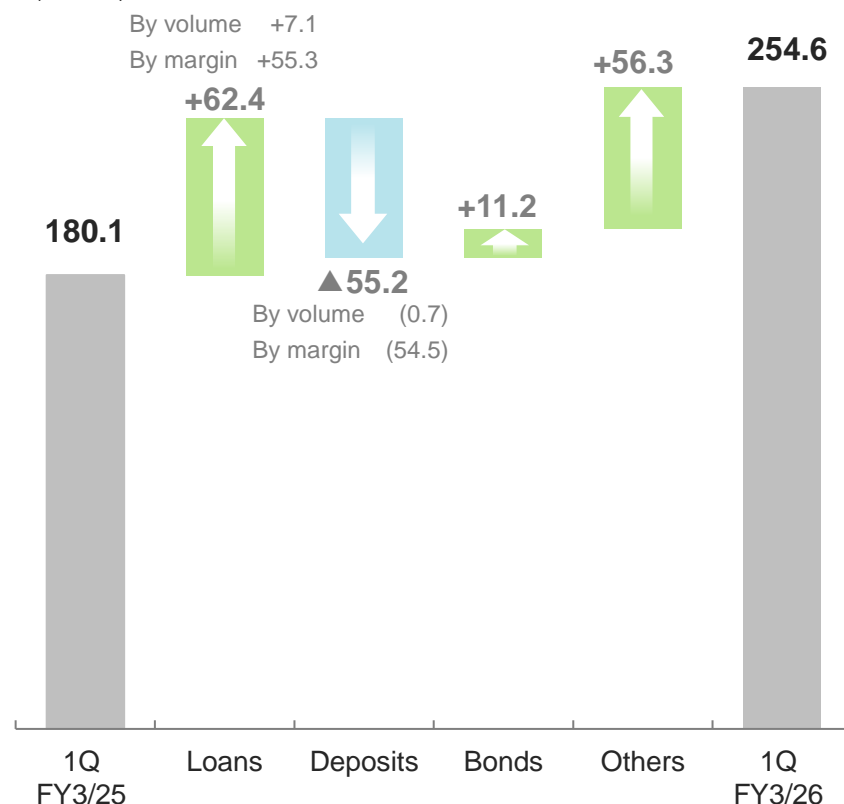
*1 Incl. SMBCCF *2 Gains on cancellation of investment trusts

(Ref.) Net interest income (SMBC)

Domestic

- Income from loans and deposits increased mainly due to loan growth.
- Bonds and other income increased from policy rate increase.

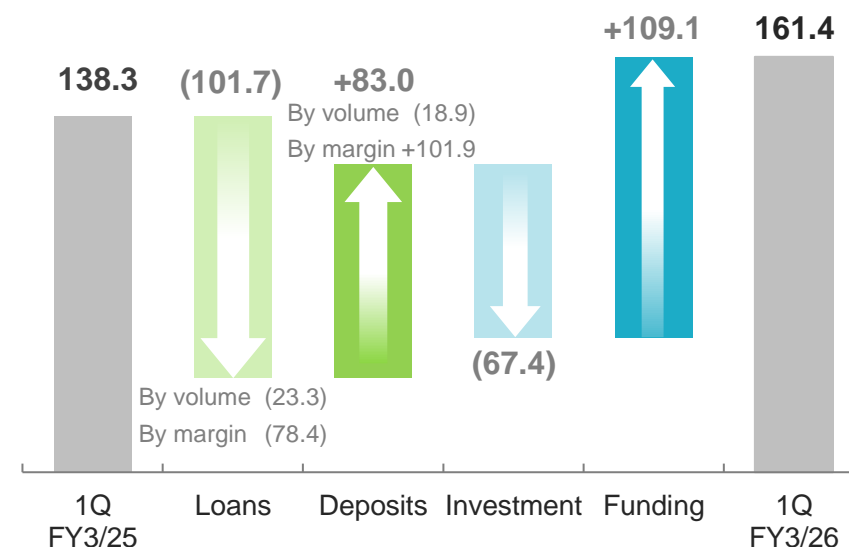
(JPY bn)



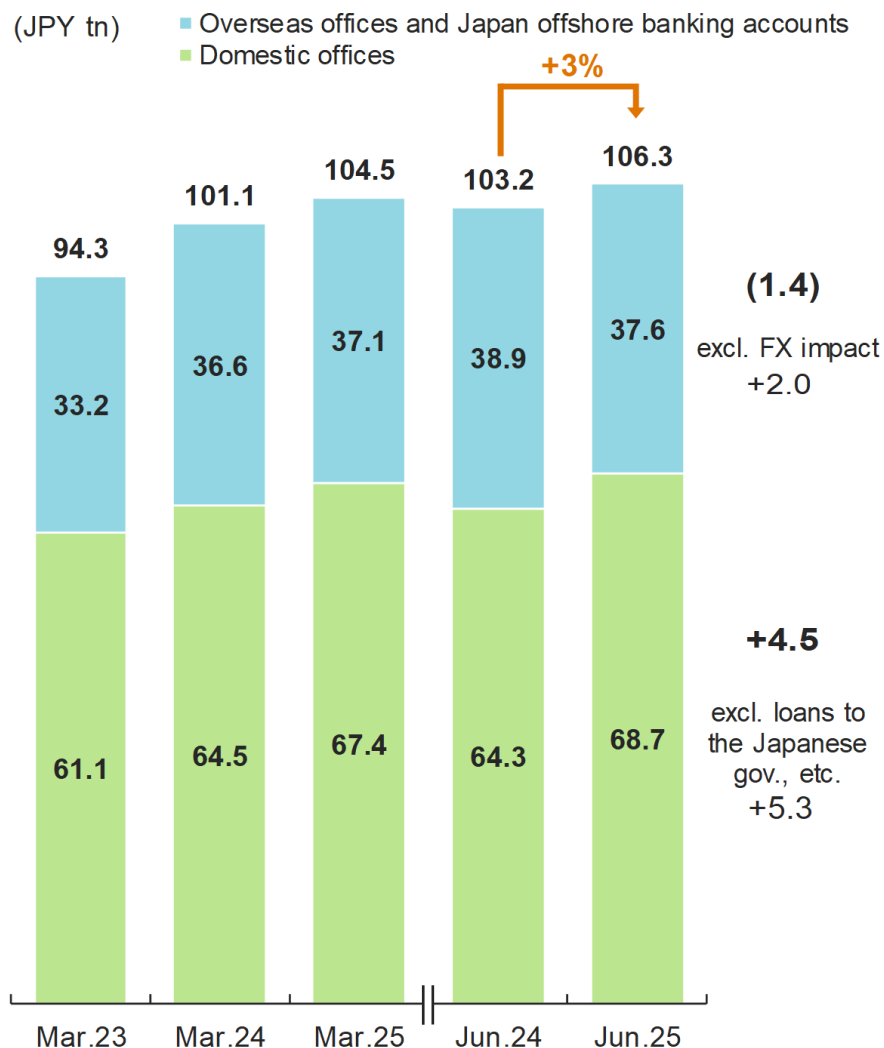
Overseas

- Although loan volume increased in foreign currency-basis, income from loans and deposits decreased due to yen appreciation and interest rate cuts in Europe and the U.S.

(JPY bn)



Loan balance



Domestic loan-to-deposit spread

	FY3/26		FY3/25			
	1Q	YoY	1Q	2Q	3Q	4Q
(%) Interest earned on loans and bills discounted	1.26	+0.34	0.92	0.97	1.04	1.15
Interest paid on deposits, etc.	0.18	(0.17)	0.01	0.05	0.09	0.10
Loan-to-deposit spread	1.08	+0.17	0.91	0.92	0.95	1.05
(Ref.) Excl. loans to the Japanese government, etc.						
Interest earned on loans and bills discounted	1.27	+0.33	0.94	0.99	1.07	1.16
Loan-to-deposit spread	1.09	+0.16	0.93	0.94	0.98	1.06

Average loan balance and spread^{*2}

	Balance (JPY tn)		Spread (%)	
	1Q FY3/26	YoY ^{*4}	1Q FY3/26	YoY
Domestic loans	64.7	+2.6	0.68	(0.01)
Excl. loans to the Japanese government, etc.	62.3	+3.2	0.69	(0.02)
o/w Large corporations	24.4	+1.8	0.56	(0.03)
Mid-sized corporations & SMEs	22.5	+1.2	0.67	+0.02
Individuals	12.2	+0.1	1.15	(0.01)
GBU's interest earning assets ^{*3}	366.3 USD bn	+21.1 USD bn	1.42	+0.12

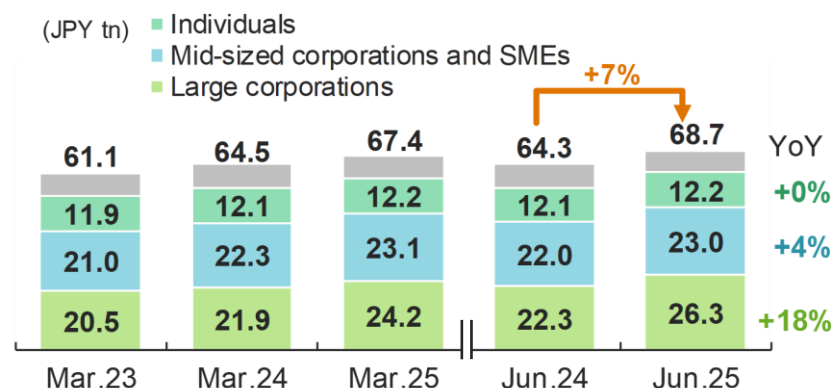
^{*1} SMBC ^{*2} Managerial accounting basis ^{*3} Sum of SMBC, Major local subsidiaries and SMBC Trust, etc. Sum of loans, trade bills, and securities. The spread shows the difference with the cost of funds ^{*4} After adjustments for impact of FX, etc.

Domestic loans and deposits*1

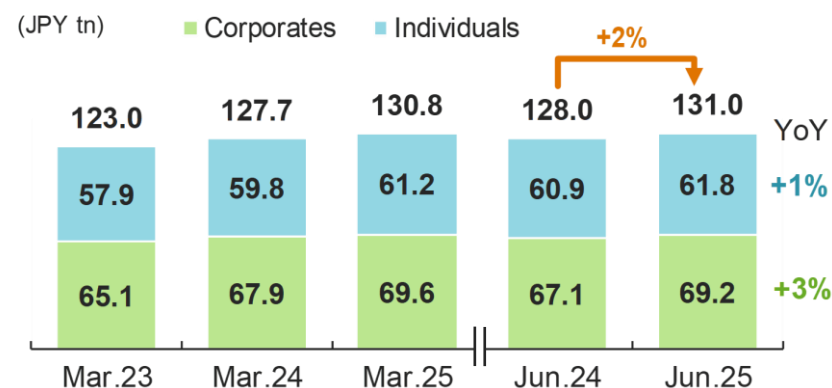
Loan balance increased steadily due to active funding demand, with significant growth in large corporate loans from capturing major deals.

Loan spreads for large corporates decreased mainly due to M&A bridge loans but continue to focus on ROE.

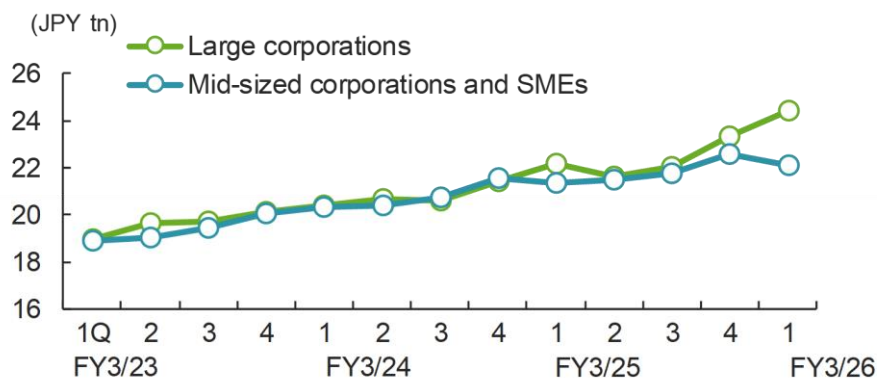
Loan balance*2



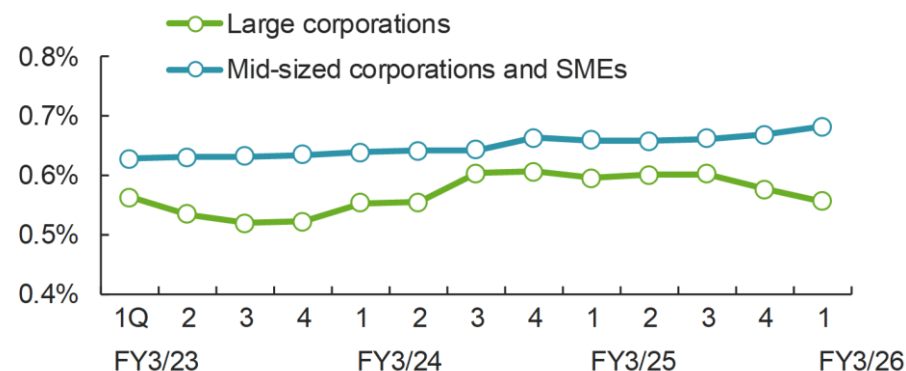
Deposit balance



Loan average balance for corporates*2,3



Loan spread for corporates*2,4



*1 SMBC *2 Managerial accounting basis *3 Quarterly average (excl. loans to the Japanese government)

Figures for SMEs are the outstanding balance of Corporate banking division

*4 Loan spread of existing loans (excl. loans to the Japanese government)

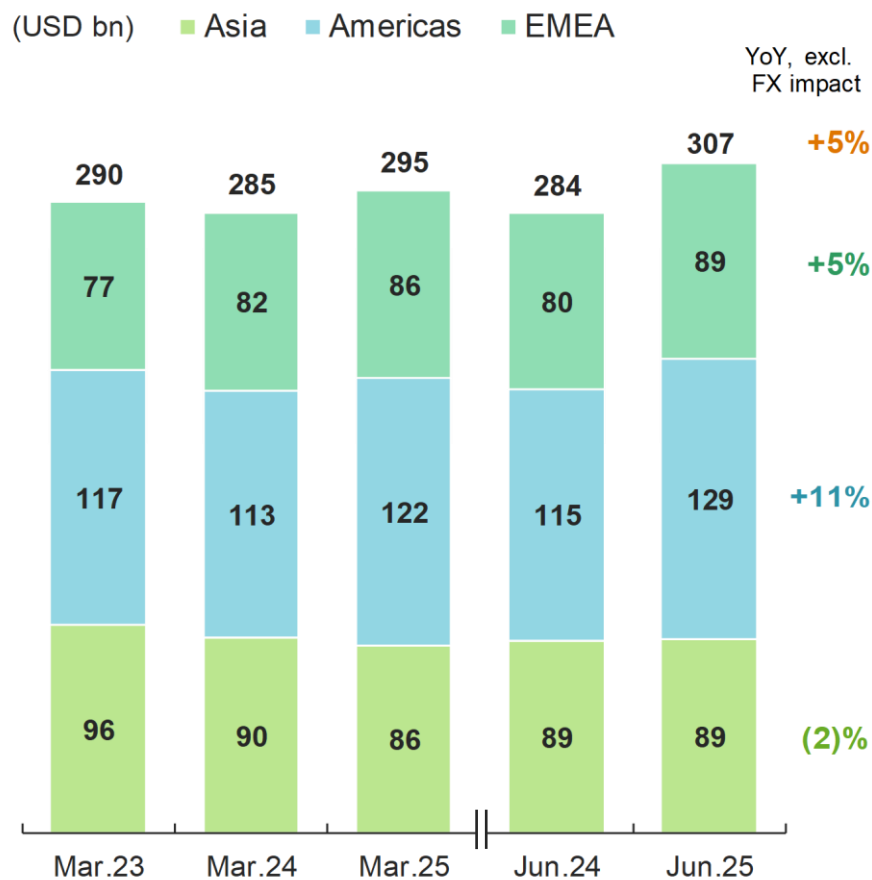
Overseas loans and deposits*1

Plan for
Fulfilled Growth

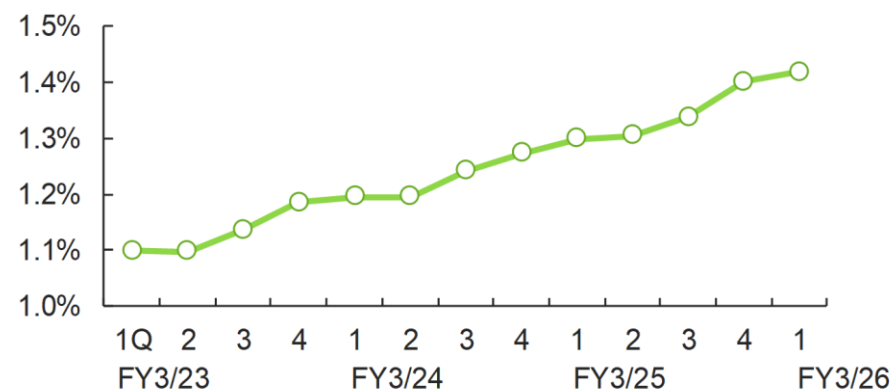
Loan balance increased by capturing robust funding demand mainly in Americas.

Loan spread improved with a focus on ROE.

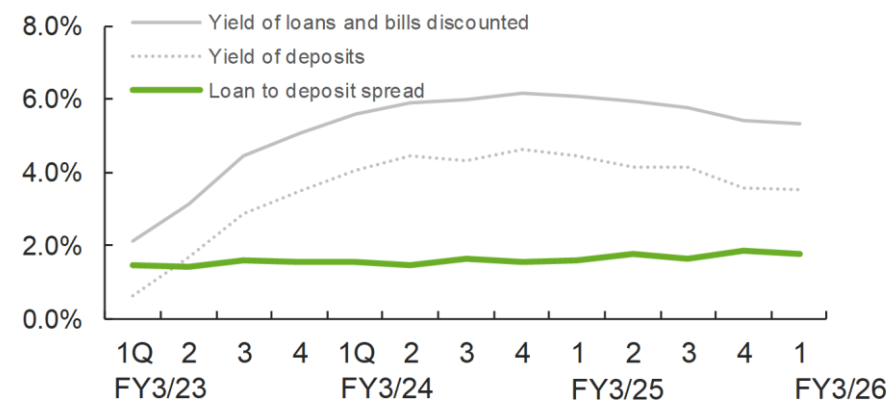
Loan balance



Loan spread*2,3



Loan to deposit spread

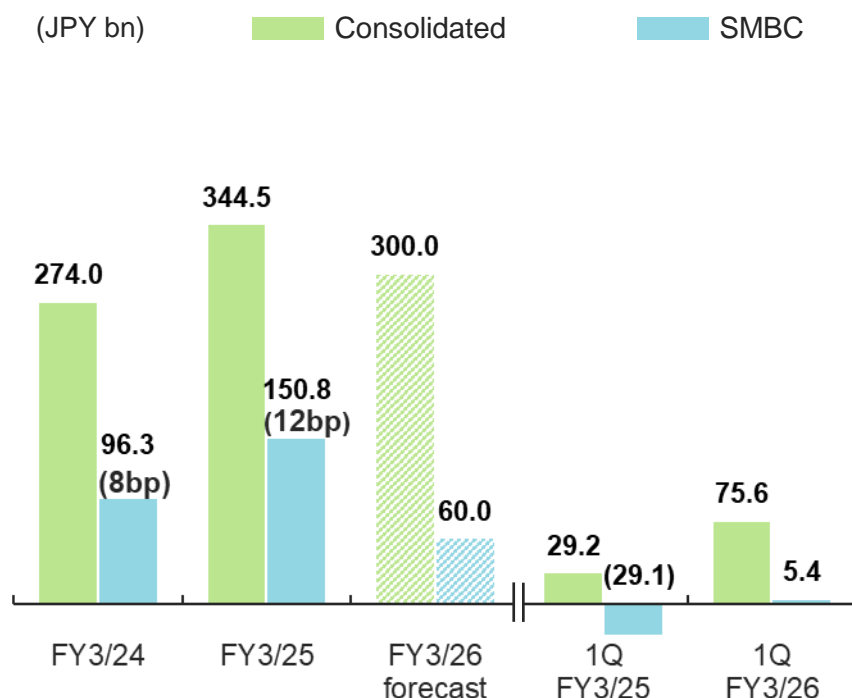


*1 Managerial accounting basis. Sum of SMBC and Major local subsidiaries

*2 Quarterly average loan spread of existing loans

*3 Changed the definition from FY3/25. The figures before have been adjusted retrospectively

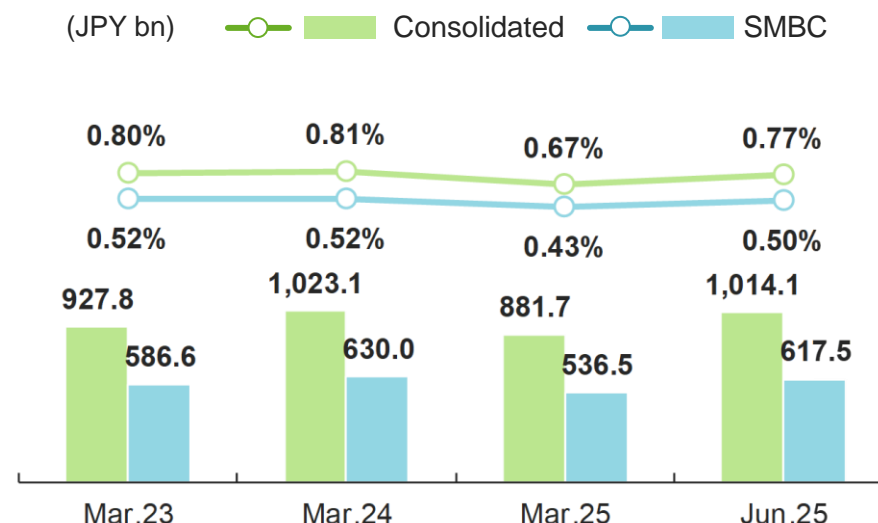
Credit costs



Major group companies

(JPY bn)	1QFY3/26	YoY
SMCC	35	(3)
o/w SMBCCF	20	(3)
Overseas banking subsidiaries	21	+10
SMICC	12	+3

Non-performing loan ratio and balance^{*1}



Non-performing loan balance (consolidated)^{*2} (JPY bn)

Domestic	651.1	455.4	461.6
Asia	209.9	174.9	281.9
Americas	84.5	117.5	132.0
EMEA	77.6	133.9	138.8

Claims on borrowers requiring caution (excl. claims to substandard borrowers) (JPY tn)

SMBC	1.8	1.7	1.6
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Total claims (JPY tn)

Consolidated	126	131	132
SMBC	120	123	124

*1 NPL ratio = NPLs based on the Banking Act and the Reconstruction Act (excl. normal assets) / Total claims

*2 Managerial accounting basis

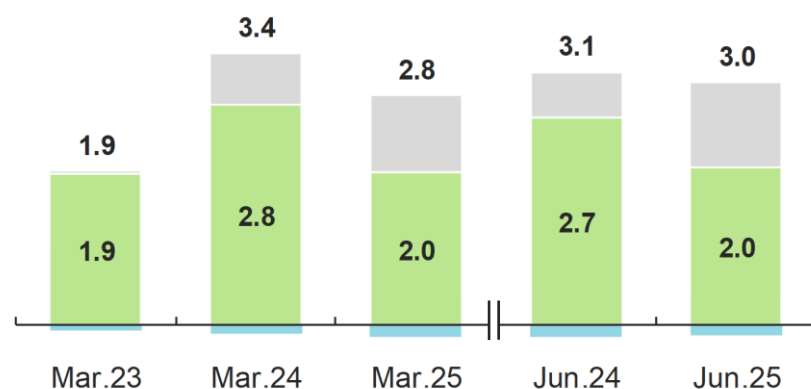
Breakdown of other securities (consolidated)

(JPY bn)	B/S amount		Unrealized gains (losses)	
	Jun.25	vs Mar.25	Jun.25	vs Mar.25
Held-to-maturity	631.7	+357.3	(2.8)	+3.4
Available for sales	38,328.6	(1,448.1)	+2,988.2	+182.1
Stocks (domestic)	3,100.7	+55.5	+2,034.9	+73.9
Bonds (domestic)	11,521.1	(2,372.4)	(134.8)	+10.0
o/w JGBs	8,905.9	(2,274.6)	(49.7)	+2.7
Others	23,706.9	+868.8	+1,088.1 ^{*1}	+98.2
o/w Foreign bonds	18,656.4	+1,231.6	(370.4)	+78.7

Risk volume is controlled by hedging and others

Unrealized gains

(JPY tn) ■ Stocks(domestic) ■ Bonds(domestic) ■ Others



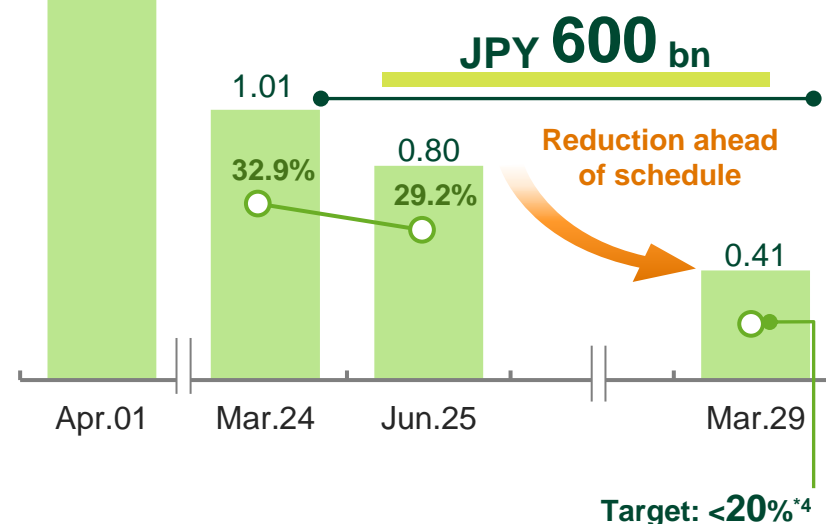
Reduction of equity holdings

(JPY tn) ■ Book value of domestic listed stock^{*2}
 Market value of equity holdings^{*3} / consolidated net assets

Reduction

Total reduction	JPY 209 bn
FY3/25	JPY 185 bn
1Q FY3/26	JPY 24 bn
Consent of sales	JPY 84 bn

Reduction plan (FY3/25-FY3/29)



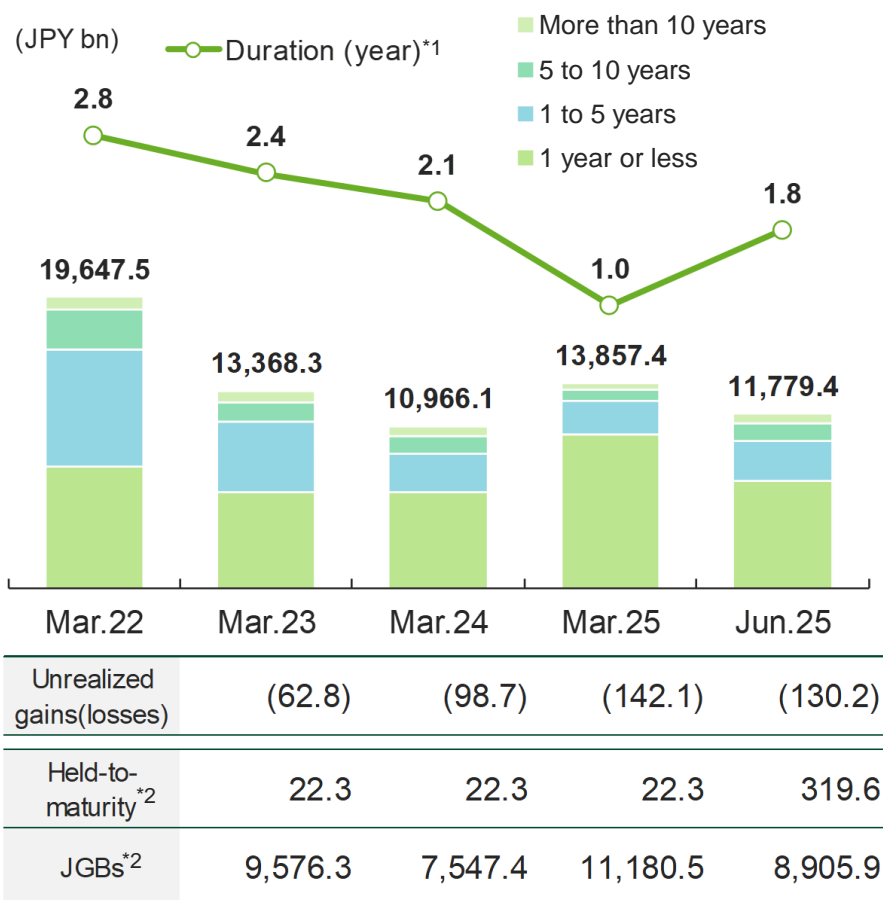
^{*1} The difference between foreign bonds and others is unrealized gain on foreign stocks

^{*2} Excl. investments after Mar.20 for the business alliance purpose ^{*3} Incl. balance of deemed held shares

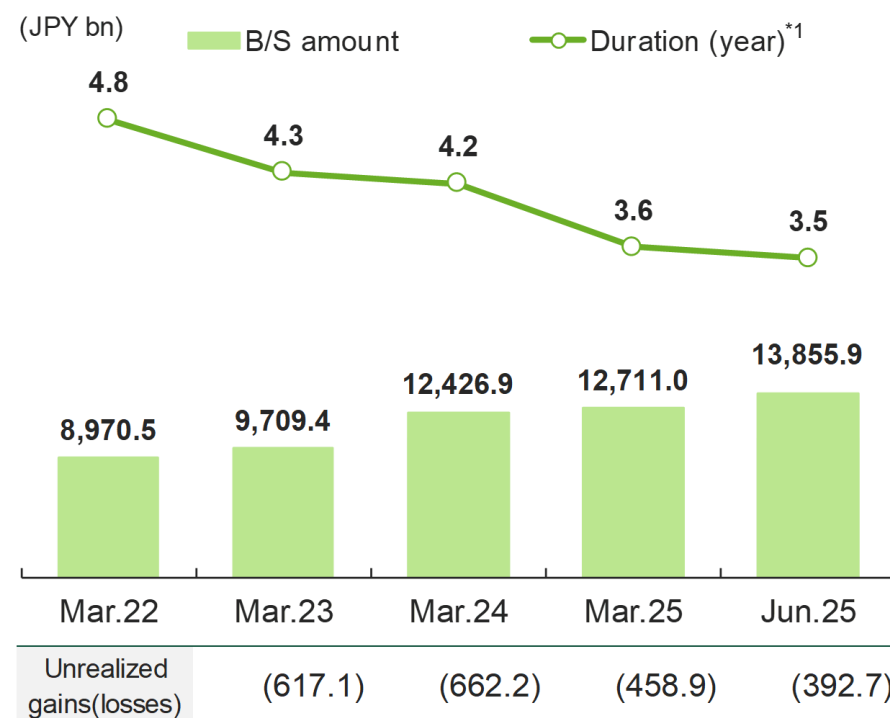
^{*4} Expect c.16% based on Nikkei Index of JPY 35,618 as of Mar.25

Yen-denominated bond positions have been rebalanced amid the recent rise in long-term interest rates. Aiming for stable interest income through held-to-maturity investments.

Yen-denominated bonds (SMBC)



Foreign bonds (SMBC)



*1 Managerial accounting basis (excl. bonds classified as held-to-maturity, bonds for which hedge-accounting is applied, and private placement bonds) *2 B/S amount

Consolidated

(vs Mar.25)

Loans	
JPY 112.7tn (+JPY 1.6 tn)	
Domestic loans^{*1}	JPY 68.7 tn

Securities	
JPY 39.3 tn (JPY (1.5) tn)	
JGBs	JPY 8.9 tn
Foreign bonds	JPY 18.7 tn

Others	
JPY146.9 tn (JPY (7.5) tn)	
Cash and due from banks	JPY 72.3 tn
BoJ's current account ^{*1}	JPY 53.8 tn

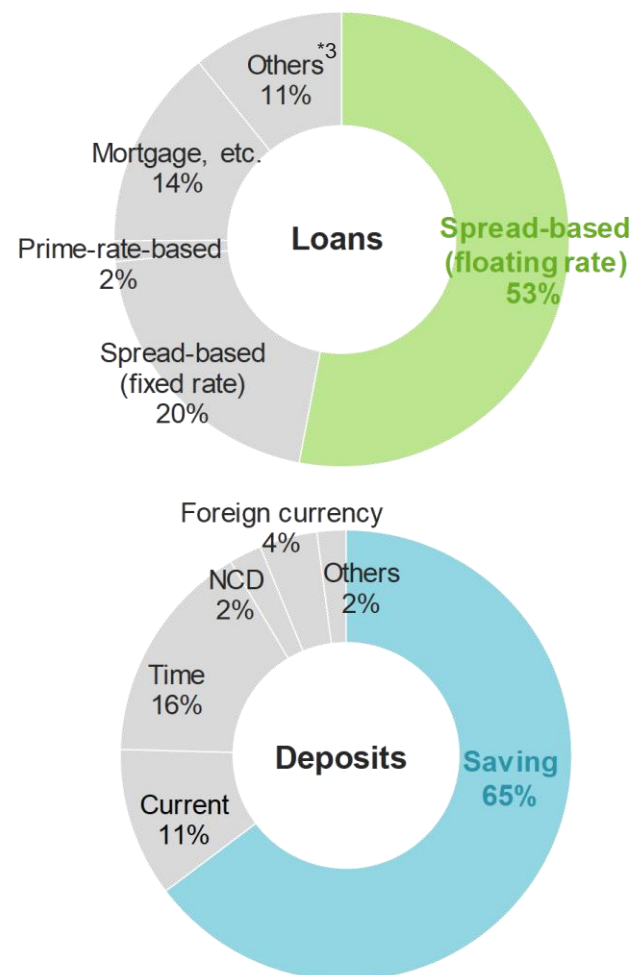
Deposits	
JPY 185.8 tn (JPY (2.9) tn)	
Loan to deposit ratio 60.7%	
Domestic deposits^{*1}	JPY 131.0 tn
NCD	JPY 15.2 tn

Others	
JPY 98.5 tn (JPY (4.3) tn)	

Total net assets	
JPY 14.6 tn (JPY (0.2) tn)	

Total assets JPY 298.9 tn (JPY (7.4) tn)

Domestic loans and deposits^{*2}



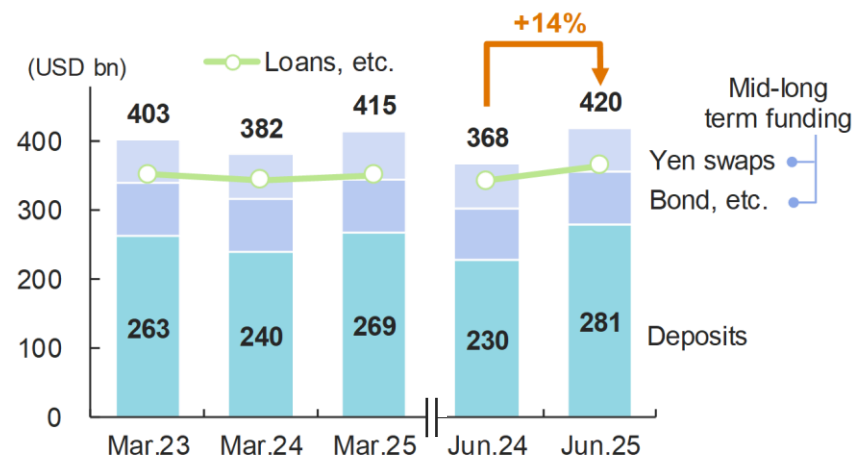
Non-JPY B/S^{*1,2}

(vs Mar.25)

Interest earning assets	Deposit ^{*3}
USD 365 bn (+USD 13 bn)	USD 281 bn (+USD 12 bn)
Others	Mid-long term funding ^{*4}
USD 172 bn (USD (18) bn)	USD 139 bn (USD (7) bn)
Foreign bonds, NCD	CD/CP
USD 103 bn (+USD 12 bn)	USD 98 bn (USD (1) bn)
	Interbank (incl. Repo)
	USD 123 bn (+USD 3 bn)

Assets / Liabilities USD 640 bn (+USD 7 bn)

Foreign currency balance



(Ref.) Impact of change in foreign interest rate

Loan/deposit

- Most of the loans and deposits are based on market rate
- Net interest income increase by JPY 20 bn when interest rate increase by 1%, as a part of the deposits have low sensitivity to interest rate and vice versa

^{*1} Managerial accounting basis ^{*2} Sum of SMBC and major local subsidiaries

^{*3} Incl. deposits from central banks ^{*4} Corporate bonds, currency swaps, etc

Results by Business Unit (1)

Retail

- Gross and net business profits increased due to higher income on deposit from rising interest rates and strong performance in payment business and consumer finance.
- Profit from wealth management business declined initially due to tariff impacts and stock market downturns but recently recovered.

(JPY bn)	1Q FY3/26	YoY*1
Gross profit	354.9	+27.0
Income on loans and deposits *2	58.9	+28.8
Wealth management business	81.6	(2.7)
Payment business	138.5	+2.8
Consumer finance business	77.6	+3.2
Expenses	280.7	+15.4
Overhead Ratio	79.1%	(1.8)%
Net business profit	74.5	+12.0

	FY3/25	1Q FY3/26	KPI
AM / foreign currency balances (JPY tn)	18.8	19.7	21
Consumer finance outstanding (JPY tn)	2.8	2.9	3
# of Olive accounts	Jul.25 : 6.0 mn		

Wholesale

- Income on loans and deposits significantly increased due to loan growth and improved spreads, with fee income also rising from increased corporate actions.
- Securities business also performed well, leading to increases in both gross and net business profits.

(JPY bn)	1Q FY3/26	YoY*1
Gross profit	277.5	+53.0
Income on loans and deposits	139.6	+43.0
FX and money transfer fees	37.8	(0.3)
SMBC Loan syndication	11.2	+1.6
Structured finance	11.8	+1.4
Real estate finance	5.2	+1.6
Securities business	21.6	+4.6
Expenses	95.2	(1.3)
Overhead Ratio	34.3%	(8.7)%
Net business profit	219.3	+55.8

	FY3/25	1Q FY3/26	KPI
Investment and financing for startups (total / JPY bn)	185.1	210.9	135

*1 Managerial accounting basis (after adjustments of the changes in exchange rates)

*2 Excl. consumer finance

Results by Business Unit (2)

Plan for
Fulfilled Growth

Global

- Both income on loans and deposits and loan-related fees increased by capturing loan demand with a focus on ROE.
- Equity in gains of affiliates also increased due to receipt of insurance claims on aircraft leasing.

(JPY bn)	1Q FY3/26	YoY*1
Gross profit	359.0	+39.3
Income on loans and deposits	177.1	+12.5
Loan related fees	66.3	+8.2
Securities business	23.6	+2.2
Expenses	232.4	+11.4
Overhead Ratio	64.7%	(4.4)%
Equity in gains(losses) of affiliates	52.1	+29.4
Net business profit	184.7	+57.6

	FY3/25	1Q FY3/26	KPI
Net business profit of the Americas Division (USD mn)	1,653	436	+500

Global markets

- Banking profit was steadily accumulated by nimble operation under volatile market conditions.
- Facing challenges in trading during the market turmoil in April, both gross and net business profits decreased.

(JPY bn)	1Q FY3/26	YoY*1
Gross profit	156.6	(10.0)
SMBC	111.3	+5.5
SMBC Nikko	25.3	(14.5)
Expenses	50.3	+2.6
Overhead Ratio	32.1%	+3.5%
Net business profit	114.9	(11.9)

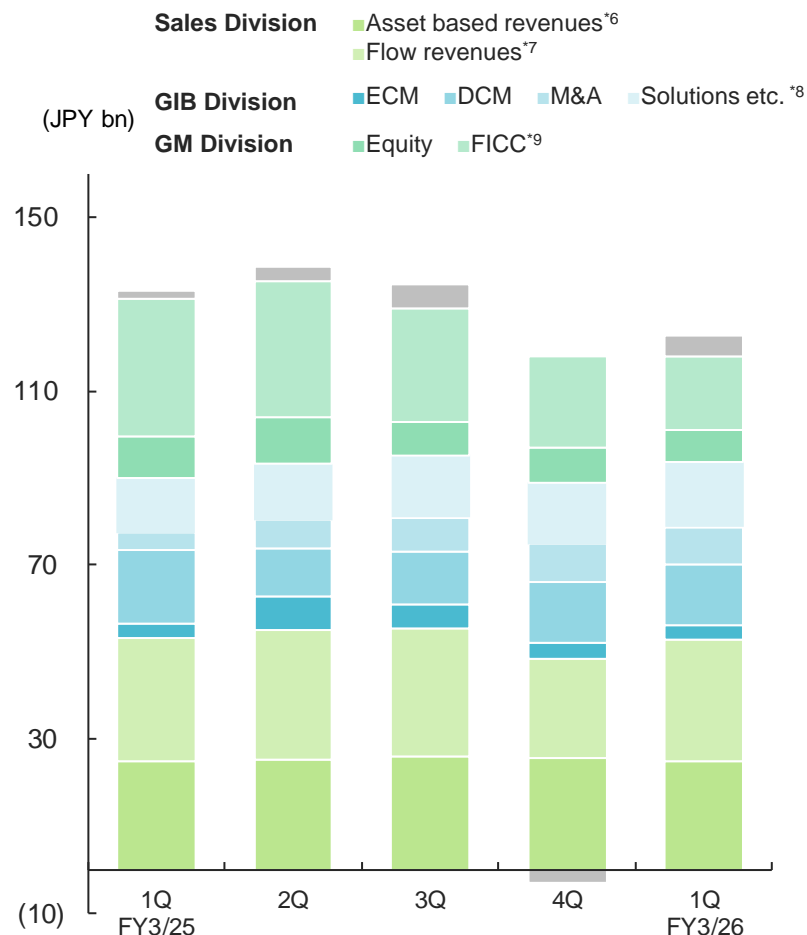
	FY3/25	1Q FY3/26	KPI
Net business profits from overseas securities (JPY bn)	25.8	8.0	49

*1 Managerial accounting basis (after adjustments of the changes in exchange rates)

Financial results

	(JPY bn)	FY3/25	1Q FY3/26	YoY
Net operating revenue		521.0	122.7	(10.4)
SG&A expenses		435.2	104.9	+3.7
Operating profits		85.7	17.7	(6.8)
o/w Sales Division		30.0	10.5	+2.5
GIB Division ^{*3}		30.8	11.3	+5.7
GM Division ^{*4}		25.0	(5.8)	(17.9)
Ordinary profits		91.0	20.6	(6.8)
Net income		73.3	19.6	(0.4)
Client assets^{*5}	(JPY tn)	81.0	84.4	

Net operating revenue



*1 Incl. profits from SMBC Nikko America and SMBC Capital Markets (managerial accounting basis)

*2 Changed the definition about the overseas derivative business from FY3/26. The figures before have been adjusted retrospectively

*3 Global Investment Banking Division *4 Global Markets Division *5 Non-consolidated

*6 Agency commissions on investment trusts, insurance and fund wrap discretionary investment fee, etc.

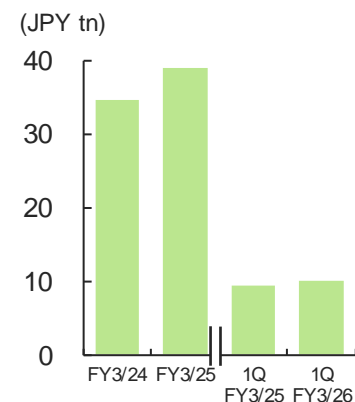
*7 Equity brokerage commissions, etc. *8 Mainly, business that utilizes the company's balance sheet and derivatives

*9 Fixed Income, Currency and Commodities

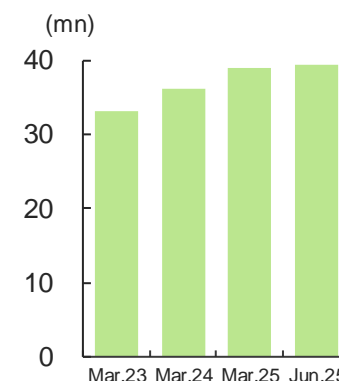
Financial results

(JPY bn)	FY3/25	1Q FY3/26	YoY
Operating revenue	968.1	249.4	+13.5
o/w Commission fee	257.8	67.3	+5.6
Finance	326.0	84.9	+4.9
o/w SMBCCF	156.6	40.7	+2.3
Sales on credit and receipt agency	81.7	21.0	+0.5
Loan guarantee revenue	83.2	21.9	+1.3
Operating expenses	982.4	226.8	+16.5
o/w For loan losses	121.8	36.1	(4.2)
o/w SMBCCF	63.8	21.3	(3.6)
For interest repayment	141.5	-	-
For loan guarantees	8.1	1.9	+0.6
Ordinary profit	(78.6)	25.5	+2.3
o/w Non-operating revenue	6.1	3.9	+1.9
Non-operating expenses	70.4	0.9	(3.3)
Net income	(64.3)	32.2	(29.8)
Net income^{*1}	75.9	32.2	+16.7
NPL ratio^{*2}	10.11%	10.63%	
Allowance on interest repayments (provision)^{*2}	10.4yrs	13.1yrs	

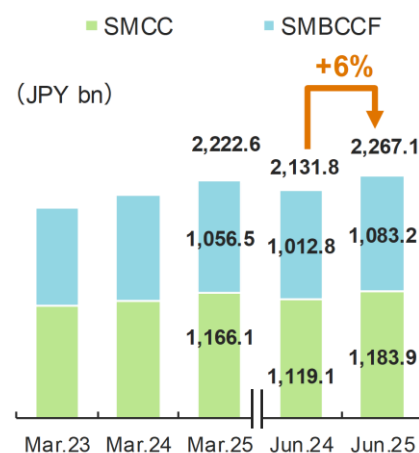
Sales handled



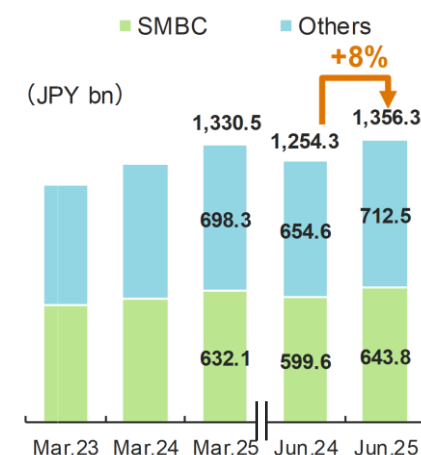
of card holders



Consumer loans^{*3}



Loan guarantee^{*2}



^{*1} Excl. the radical allowance on interest repayment, impairment of FE Credit, the gain on extinguishment of tie-in shares related to the merger with SMBCCF ^{*2} Only SMBCCF

^{*3} The Figure from FY3/23 has been adjusted to the reorganization of SMBC Mobit in Apr.23

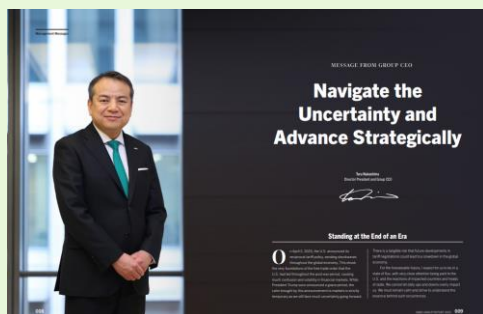
Our disclosures

Plan for
Fulfilled Growth

SMBC GROUP REPORT 2025

Management messages and round-table discussion with outside directors are disclosed on the website. Other contents are scheduled to be released on Aug. 2025.

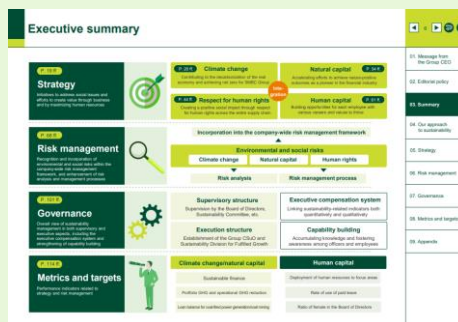
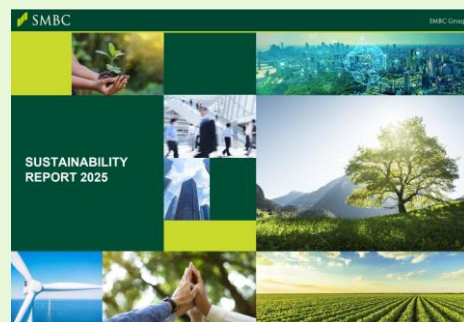
<https://www.smfg.co.jp/english/investor/financial/annual.html>



SUSTAINABILITY REPORT

Compiled our initiatives on climate change, natural capital, human rights, and human capital, which is the source of SMBC Group's competitiveness.

<https://www.smfg.co.jp/english/sustainability/report/backnumber/>



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. This document also contains "sustainability statements" related to the sustainability activities of the Company concerning the environmental, social, and governance matters.

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 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 or sustainability statements contained or deemed to be contained herein. The risks and uncertainties which may affect future performance or results 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 or sustainability statements, which speak only as of the date of this document. The Company undertakes no obligation to update or revise any forward-looking statements or sustainability statements. The sustainability initiatives of the Company described in the "sustainability statements" are based on policies and practices that seek to promote and responsive to its risk management and other investment and objectives. Each decision will be made subject to local legal requirements.

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.

Exchange rates (TTM)

	Jun. 24	Mar. 25	Jun. 25
USD (JPY)	161.03	149.53	144.81
EUR (JPY)	172.29	162.05	169.67

※ The disclosure of Capital / RWA is scheduled for Aug 14, 2025.

Definitions

SMFG	Sumitomo Mitsui Financial Group, Inc.
SMBC	Sumitomo Mitsui Banking Corporation
SMBC Trust	SMBC Trust Bank
SMFL	Sumitomo Mitsui Finance and Leasing
SMBC Nikko	SMBC Nikko Securities
SMCC	Sumitomo Mitsui Card Company
SMBCCF	SMBC Consumer Finance
SMDAM	Sumitomo Mitsui DS Asset Management
SMBCAC	SMBC Aviation Capital
SMICC	SMFG India Credit Company
Major local subsidiaries	SMBC Bank International, SMBC Bank EU, SMBC (China)
Expenses (non-consolidated)	Excl. non-recurring losses
Net business profit	Before provision for general reserve for possible loan losses
Retail Business Unit (RT)	Domestic retail business
Wholesale Business Unit (WS)	Domestic wholesale business
Global Business Unit (GB)	International business
Global Markets Business Unit (GM)	Market / Treasury related businesses