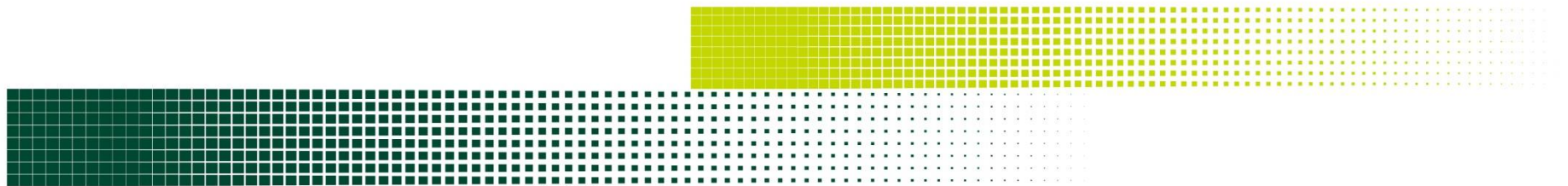


SMBC Group IR Day

June 20th, 2018



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, 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
- SMAM : Sumitomo Mitsui Asset Management
- SMBCAC : SMBC Aviation Capital
- Retail business unit (RT) : Domestic retail and SME businesses
SMBC (RT), SMBC Nikko (RT), SMCC, Cedyne, SMBCCF, others
- Wholesale business unit (WS) : Domestic large/mid-size corporation business
SMBC (WS), SMBC Nikko (WS), SMBC Trust (WS), SMFL (Domestic), others
- International business unit (Inter.) :
SMBC (Inter.), SMBC Nikko (Inter.), SMBC Trust (Inter.), SMFL (Inter.), others
- Global markets business unit (GM) : Market / Treasury related businesses
SMBC (Treasury), SMBC Nikko (Product), others
- Large corporations : Global Corporate Banking Division
- Mid-sized corporations & SMEs : Corporate Banking Division (CBD) and SMEs covered by Retail Banking Unit
- Exchange rates(TTM)

	Mar.17	Mar.18
USD	JPY 112.19	JPY 106.25
EUR	JPY 119.84	JPY 130.73

Retail Business Unit

Naoki Tamura, Senior Managing Executive Officer

Progress of Medium-Term Management Plan / Management policy

Progress of Medium-Term Management Plan

- Initiatives : Steady progress overall
- Financial results : Considerably higher than the previous year

Wealth management	<ul style="list-style-type: none"> ✓ Steady increase in stock-based assets ✓ Penetration of customer-oriented wealth management business which focuses on medium- to long-term diversified investments
Retail branch reorganization	<ul style="list-style-type: none"> ✓ Completed transformation of 103 branches to next-generation branches and centralization of back-office operations of 134 offices ✓ Improvement of customer convenience and enhancement of consulting capability through digitalization

Management policy to improve ROE

Steady implementation of the Medium-Term Management Plan

- Establish the wealth management business and develop business by customer segment
- Implement the consumer finance business strategy based on changes in the business environment
- Initiatives toward cost structural reform
 - ✓ Retail branch reorganization
 - ✓ Business process reform through digitalization

New strategies to respond to the changes in the environment

- Development of a medium-term strategy based on the advancement of cashless payment and digitalization

Net business profit / ROE / RWA

Unit: JPY bn

	FY3/18	YoY*1
Gross profit	1,311.5	+34.2
Expenses	1,027.5	+16.1
<i>Overhead ratio</i>	78.3%	(0.8)%
Others	15.5	+3.3
Net business profit	299.5	+21.4
ROE*2	7.5%	-
RWA (JPY tn)*3	13.8	-

KPI

	FY3/18	YoY
Balance of stock-based assets (banks and securities)*4	JPY 11.9 tn	+JPY 1.1 tn
Credit card sales handled	JPY 16.0 tn	+JPY 1.6 tn
Utilization rate for digital channels*5	22.7%	+5%
Balance of card loans (groupwide)	JPY 1.78 tn	+JPY 0.02 tn
Rent reduction effect from Retail branch reorganization	JPY (3.06) bn	—

*1 After adjustments of the changes of interest rates and exchange rates

*2 Managerial accounting basis with RWA calculated assuming Basel III reforms are finalized. Excludes impact from the provision for losses on interest repayments and the cost from branch reorganization *3 Basel III transitional basis

*4 Investment products, such as investment trusts, fund wraps, and foreign currency deposits *5 Clients using digital channels / (clients using physical branches + clients using digital channels)

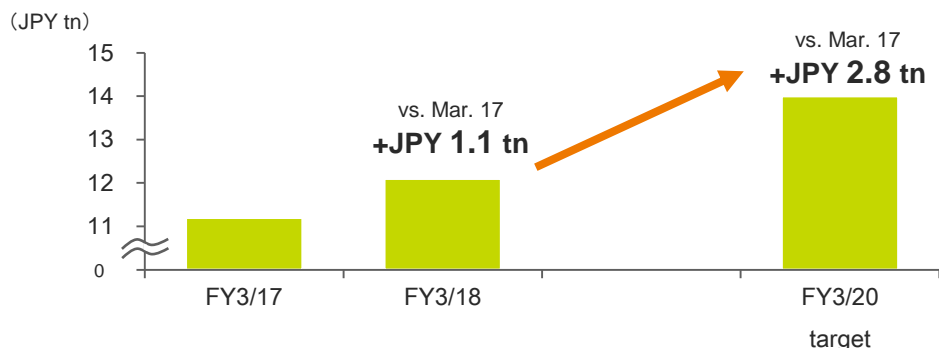
Wealth management business

- Pursue a customer-oriented wealth management business which focuses on medium-to long-term diversified investments
- Strengthen the development of business by customer segment under the bank-securities integration strategy

Establishment of the wealth management business

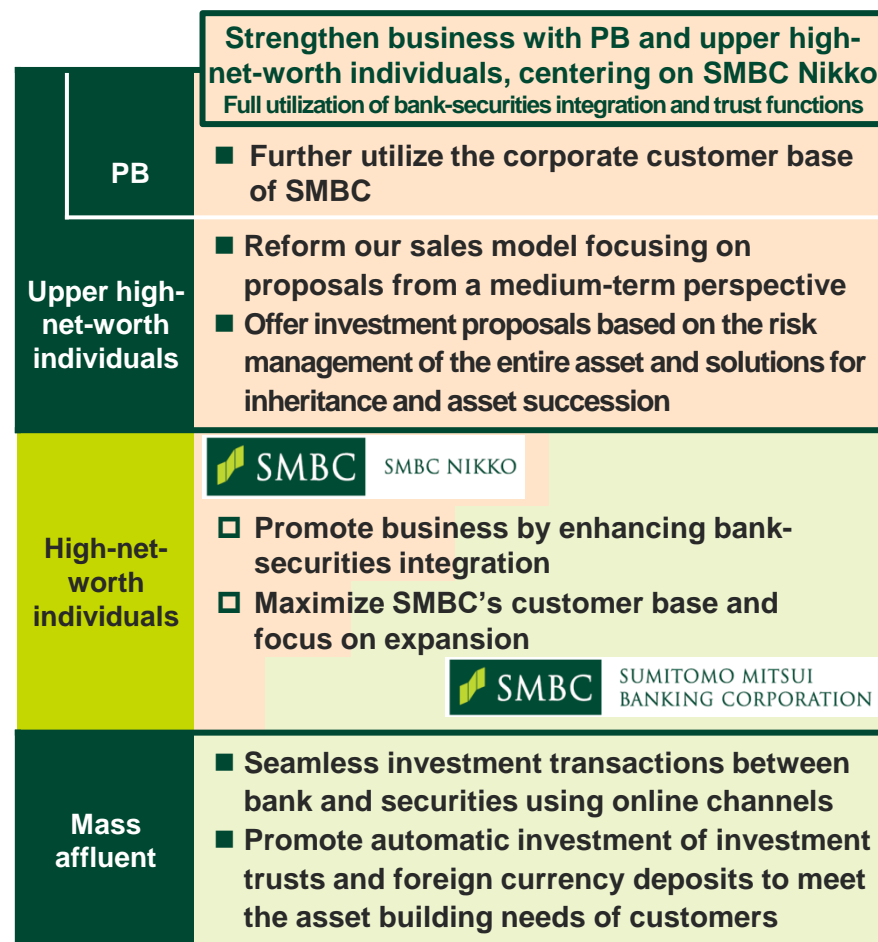
- Offer products which focus on medium- to long-term diversified investments
 - ✓ Reinforce medium- to long-term diversified investment product / services
 - ✓ Approach customers' total financial assets, including assets in other banks and companies
- Cultivate new customers and acquire new funds
 - ✓ Strengthen initiatives for corporate owners
 - ✓ Upgrade the over-the-counter consulting services
- Strengthen ability to respond to inheritance and business succession needs
 - ✓ Position inheritance consulting as one of the core businesses

Balance of stock-based assets* (SMBC+SMBC Nikko)



* Market value of investment products, such as investment trusts, fund wraps, and foreign currency deposits

Development of business by customer segment

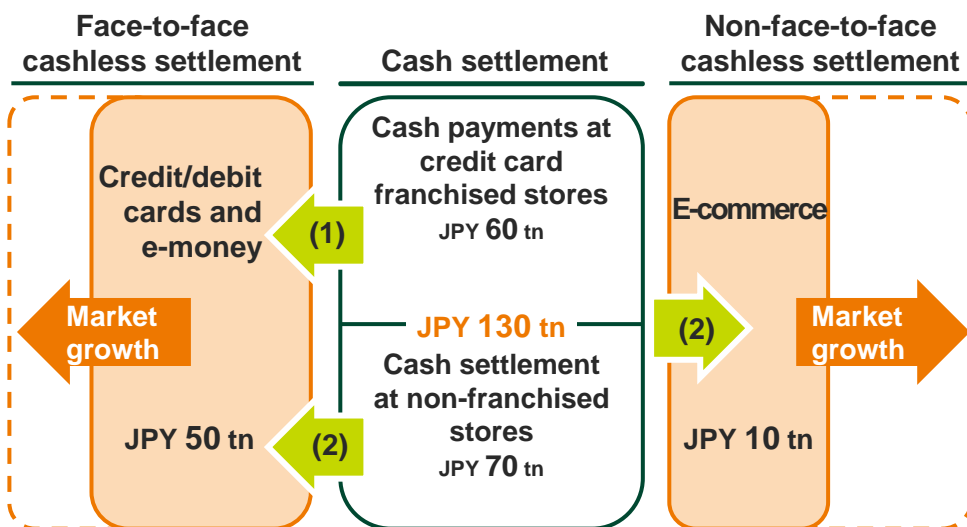


Focus

Cashless payment / Consumer finance business

- **Cashless payment:** Promote cashless payment in Japan through comprehensive initiatives for both business operators and end-users
- **Consumer finance:** Secure bottom line profit by reinforcing control of expense / credit cost while meeting the healthy financing needs of customers on a group-wide basis

Cashless payment



(1) Strengthen services to end-users

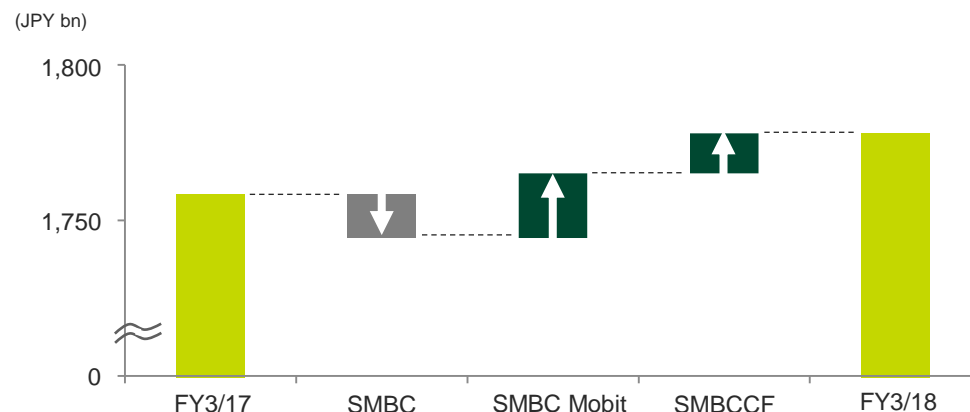
- ✓ Convenient: Able to pay at anytime, anywhere, or in any way you like
- ✓ Safe: Able to control payment
- ✓ Beneficial: Able to obtain group-wide points, etc.

(2) Establish a next-generation payment platform

- ✓ Support all cashless payment needs
- ✓ Increase the market share of franchisees by leveraging price competitiveness
- ✓ Provide solutions using payment data

Consumer finance

Card loan balance (group basis)



Strengthen customer acquisition on a group-wide basis

- ✓ Efficient allocation of advertising and promotional resources

Reduce expenses on a group-wide basis

- ✓ SMBC and SMBC Mobit to reduce the number of loan application machines
- ✓ Digital chatbot service

Strengthen credit cost control through advanced screening and credit management

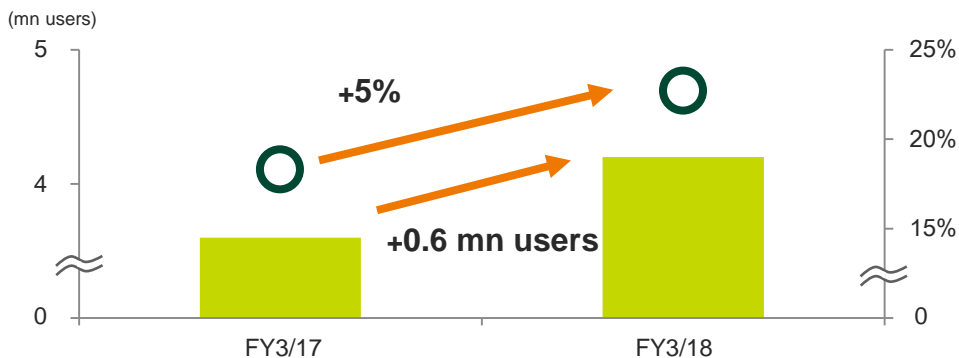
- ✓ Stricter credit standards and continuous customer counseling
- ✓ Upgrade credit models using group-owned data

Retail branch reorganization

- Enhance customer convenience and reduce cost through digitalization
- Strengthen consulting services for upper high-net-worth individuals at retail branches

Initiatives toward digitalization

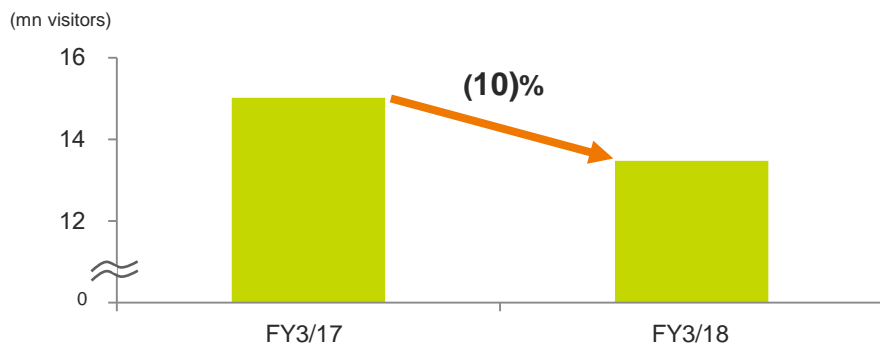
of SMBC Direct users^{*1}/utilization rate of digital channels^{*2}



*1 Number of customers who have logged in SMBC Direct at least once every six months

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

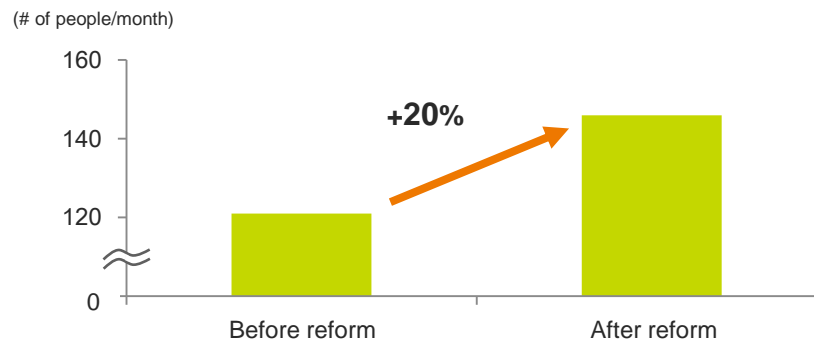
Number of high counter* visitors (cumulative)



* Service counter that handles simple administrative procedures such as bank transfers and money exchanges

Strengthening consulting services for high-net-worth individuals at retail branches

of high-net-worth individuals visiting next-generation branches (1H, FY3/18)



Note: Number of visitors to branches with a deposit of 25 million yen or more

Initiatives to reform cost structure

	FY3/18 results	FY3/19 target	***	FY3/22 target
Reduction of clerical staff by improving efficiency	JPY 0.7 bn	JPY 2.3 bn		JPY 10.0 bn
Reduction of rent due to smaller branch floor space, etc.	JPY 1.6 bn	JPY 5.2 bn		JPY 10.0 bn
Ripple effects on operating expenses	JPY 0.8 bn	JPY 4.1 bn		JPY 10.0 bn
Total	JPY 3.1 bn	JPY 11.6 bn		JPY 30.0 bn

(Ref) Next-generation branches

(Ref) Branches exclusive to individuals (Nakano Sakaue)

- Improved efficiency of personnel/space by aggregating administration of corporate clients to another branch
- Creating an atmosphere where customers be consulted comfortably



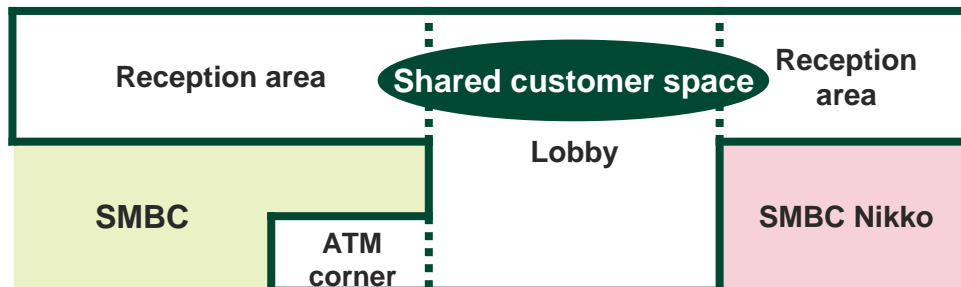
(Ref) Digital space (Shinjuku Branch)

- A dedicated area where digital transactions are conducted



(Ref) Cost reduction at group shared branches (Akasaka Branch)

Rent reduction effect	JPY 119 mn
Total space	(36)%
Customer space	+3%



(Ref) Cost reduction by relocation (Aoyama Branch)

Rent reduction effect	JPY 420 mn
Total space	(29)%
Customer space	+8%

Before relocation
(Aoyama-dori Street)



After relocation
(Kotto-dori Street, 2nd and 3rd floor)



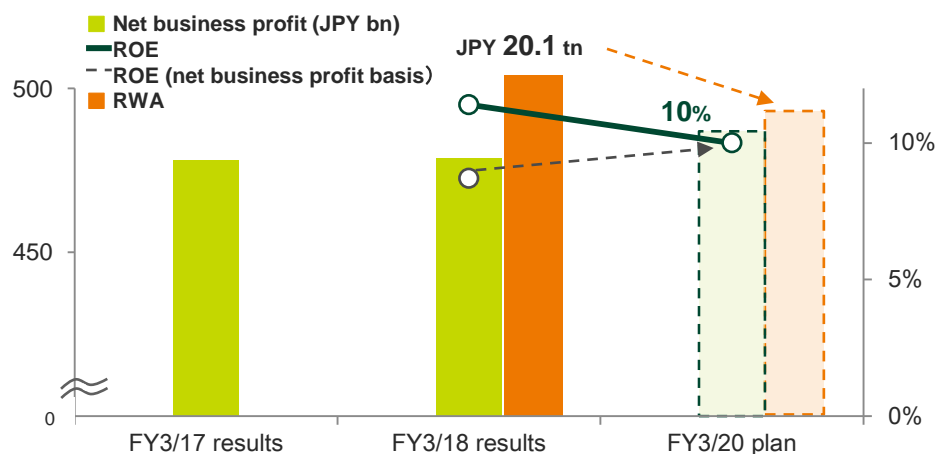
Wholesale Business Unit

Manabu Narita, Deputy President and Executive Officer

Progress of Medium-Term Management Plan / Management policy

Progress of Medium-Term Management Plan

- Net business profit and ROE were solid by enhancing the asset-light businesses*1 and controlling RWA



Net business profit / ROE / RWA

Unit: JPY bn

	FY3/18	YoY*2
Gross profit	772.9	(6.7)
Expenses	347.8	+1.6
Overhead ratio	45.0%	+0.6%
Others	53.4	+8.9
Net business profit	478.5	+0.6
ROE*3	11.4%	-
RWA (JPY tn)*4	20.1	-

Management policy to improve ROE

Sustainable increase of net business profit

- Initiatives toward the market leader strategy
 - ✓ Promote asset-light businesses by leveraging the comprehensive strengths of each group company
 - ✓ Engage in high-value-added loans that stimulate business
- Business promotion geared toward large global corporates

Appropriate portfolio control

- Continue asset control with greater awareness of profitability
- Reduce RWA by promoting sales of strategic shareholdings

KPI

	FY3/18	YoY
Market share in Japanese corporate bonds (lead arranger)	17.0%	(0.4)%
# of IPO lead arranger deals	No.3	+1 Rank
# of M&A advisory deals	No.1	+1 Rank
# of companies with core earnings	9,036 companies	+341 companies
Increase rate of non-interest income	+4.7%	—

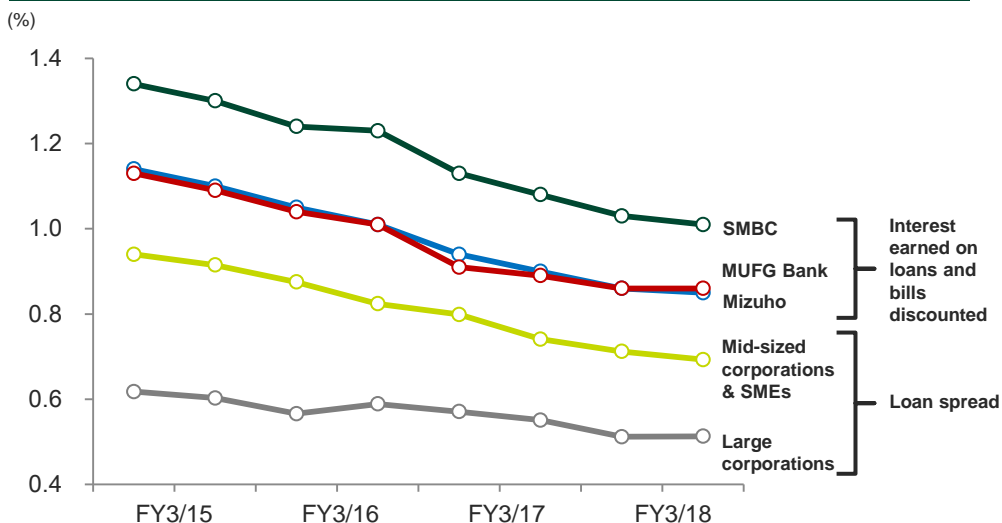
*1 Business that does not use assets such as the transaction business *2 After adjustments of the changes of interest rates and exchange rates

*3 Managerial accounting basis with RWA calculated assuming Basel III reforms are finalized *4 Basel III transitional basis

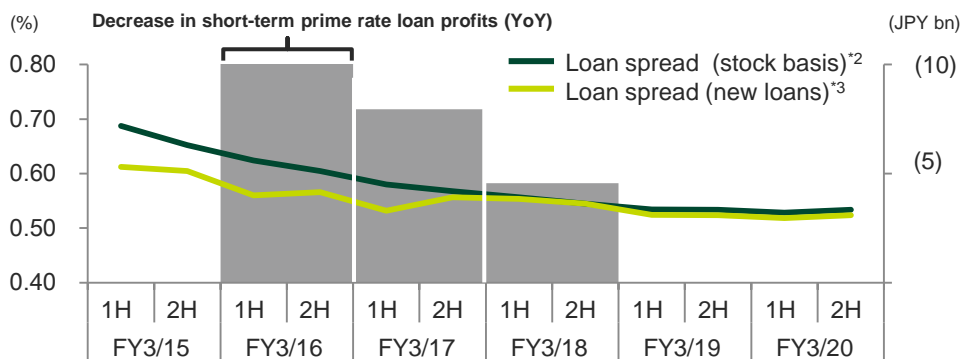
Interest rate environment/transformation of profit structure of the wholesale business (bank)

- We expect to maintain higher loan spread over the other mega banks, as the decline of the loan spread is showing signs of bottoming out
- With the decline of loan spread ending, we expect that the decrease of interest income on loans, which was a major factor behind the decline in earnings in the wholesale business will come to an end
- Aim to improve ROE by transforming the profit structure and promote asset-light businesses to increase profit

Interest earned on loans and bills discounted

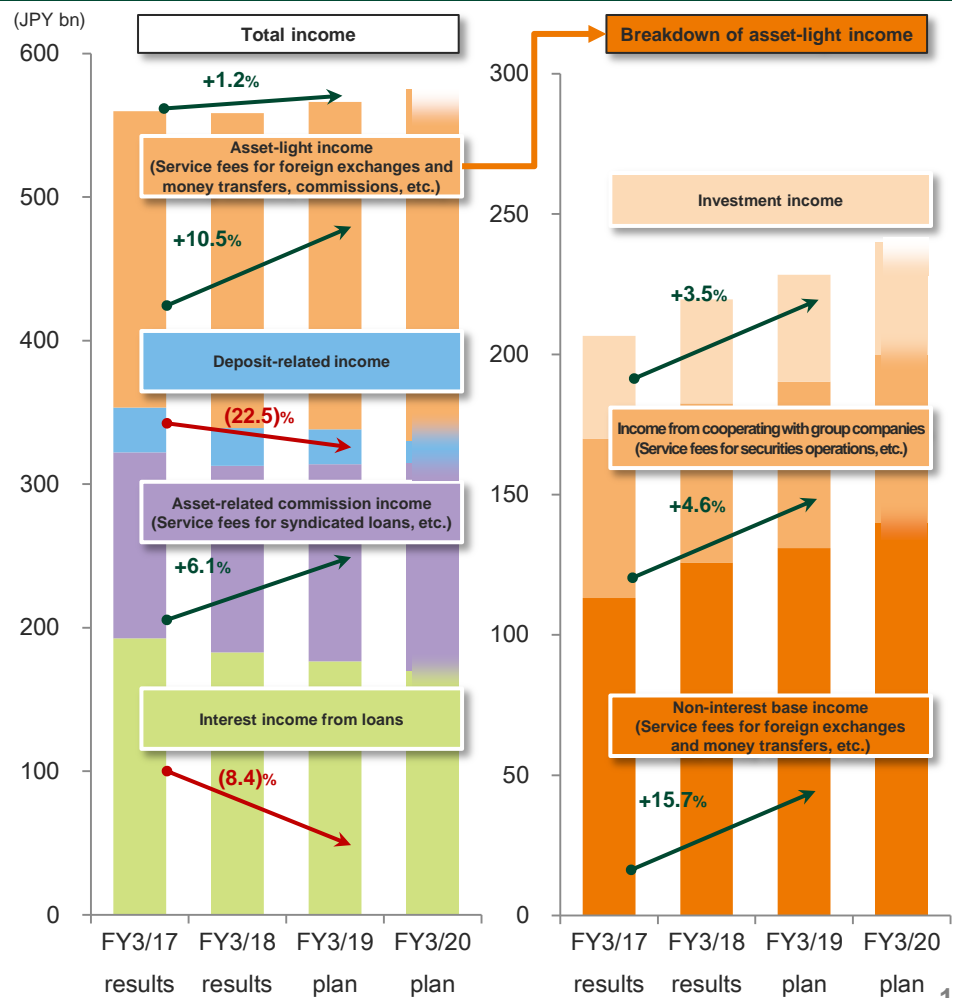


Trend of loan spread/decrease in short-term prime rate loan profits*1



*1 Mid-sized corporations & SMEs *2 Loan spread of overall balance *3 Loan spread of new loans within the applicable fiscal year

Transformation of profit structure of the wholesale business (SMBC)



Market leader strategy

- Aim to be a market leader by centering on asset-light businesses and promote eight key business areas that contribute to customer growth
- In addition to strengthening traditional financial fields, take on new challenges that contribute to medium- to long-term growth by cooperating with group companies across business units / entities and implementing strategies of other business units (Sales & Trading, etc.)

A Promote asset-light businesses

B Increase assets (high-value-added loans, etc.)

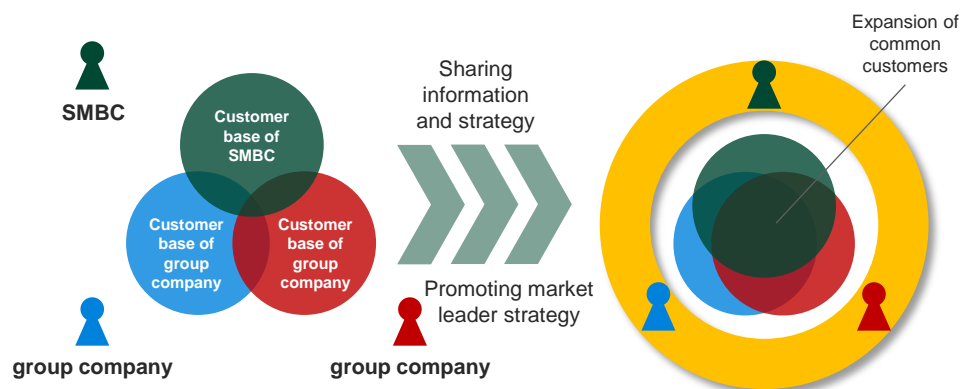
	Strategy	Major KPIs and two-year increases	Category	Leading solutions provider	Cooperation with other business units
Become clients' business partner	1. Venture approach	● # of IPO lead arranger deals No.3 → No.1	A	SUMITOMO MITSUI BANKING CORPORATION SMBC NIKKO 三井住友銀行グループ SMBCベンチャーキャピタル	RT Inter.
	2. Turn around solution	● # of M&A advisory deals No.1 → No.1	A B	SUMITOMO MITSUI BANKING CORPORATION 三井住友銀行グループ SMBC NIKKO SMBC コンサルティング	Inter.
	3. Cash management solution	● # of companies with transaction business +850 companies	A	SUMITOMO MITSUI BANKING CORPORATION SMBC NIKKO 三井住友銀行グループ SMBCファイナンスサービス	Inter. GM
	4. CRE solution	● # of CRE proposals +100 companies ● # of real estate brokerage deals +50 Companies	A B	SUMITOMO MITSUI BANKING CORPORATION SMBC SMBC TRUST BANK SMBC NIKKO SMFI Think beyond, Act now	Inter
	5. Owner approach	● Executed amount of successions related loans + JPY 25 bn ● Entrustment of testamentary trust and inheritance disposition +140 Companies	A B	SUMITOMO MITSUI BANKING CORPORATION SMBC SMBC TRUST BANK SMBC NIKKO	RT
Respond to clients' change in environment	6. HR solution	● # of HR solution proposals +500 Companies ● # of DC customers acquired +20,000	A	ジャパン・ベンション・ナビゲーター Japan Research Institute CEDYNA FINANCIAL CORPORATION さくら情報システム JSOL SMBC SUMITOMO MITSUI CARD SMBC SMBC TRUST BANK	RT
	7. Digital transformation	● # of NCore contracts +105 contracts	A	SMBCグループ NCore SMBC GMO PAYMENT	
Create innovation with clients	8. Smart mobility innovation	● Creation of pipeline	New Category	SUMITOMO MITSUI BANKING CORPORATION Japan Research Institute Polarify	Inter

Deepen business unit operations

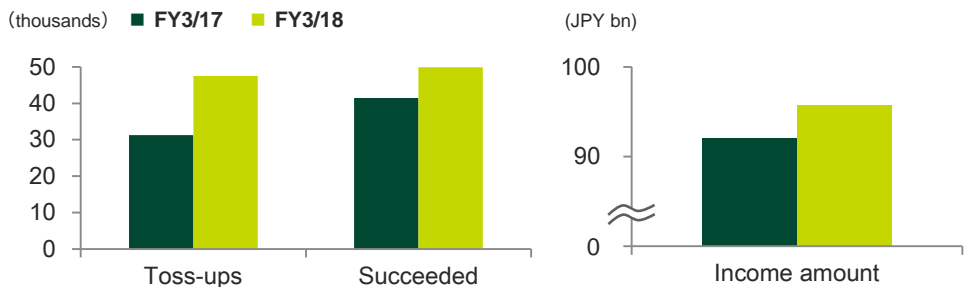
- Maximize leverage of the client base of SMBC Group and provide group-based solutions that utilize customer information
- With the information sharing agreements from over 30,000 customers obtained, the number of toss-ups among group companies, the number of toss-ups that led to actual businesses, and the income from these activities steadily increased
- In the wholesale business unit as a whole, we aim to increase profits in SMBC Nikko, SMFL, and SMBC Trust, while maintaining the current level of profits in SMBC

Utilization of customer base

- The total customer base of SMBC Group companies is wide-ranging
- Acquired information-sharing agreement from over 30,000 customers and established a system to share information within the group
- Sharing customer information throughout the group from the time of formulating strategy to provide optimal solutions to our customers

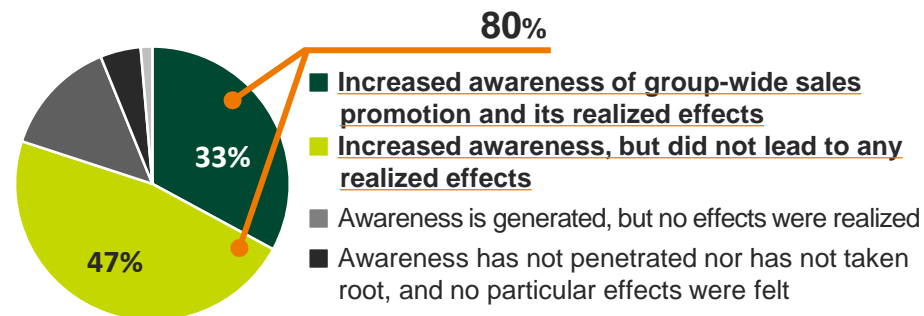


- Increase in the number of toss-ups, the number of toss-ups succeeded and income amount

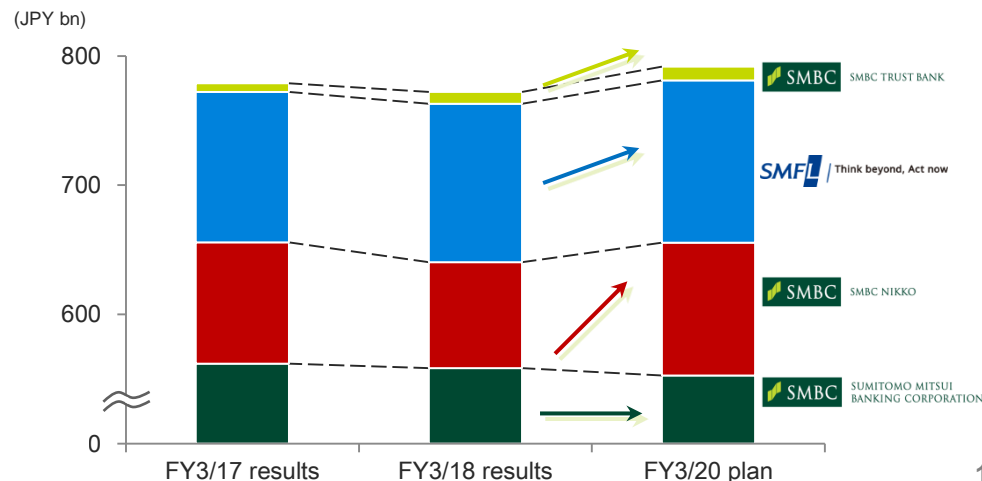


Change in awareness

- 80% answered “increased awareness of sales promotion on a group-wide basis”
- On the other hand, only about 30% of the respondents also felt the effect



Earnings growth plan for the wholesale business unit



Initiatives by entity

- Acquire investment banking deals from large corporates by sharing strategy between SMBC and SMBC Nikko
- SMBC Trust enhanced real estate-related functions to steadily increase profit and is expected to catch up with competitors
- Being committed to improve profitability, SMFL improved loan spread and increased profitability. SMFL also worked to boost profit through collaboration with each entity of the business unit

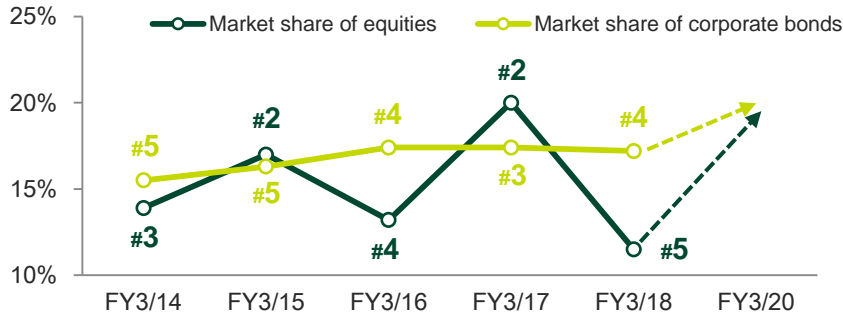
SMBC

SMBC Nikko

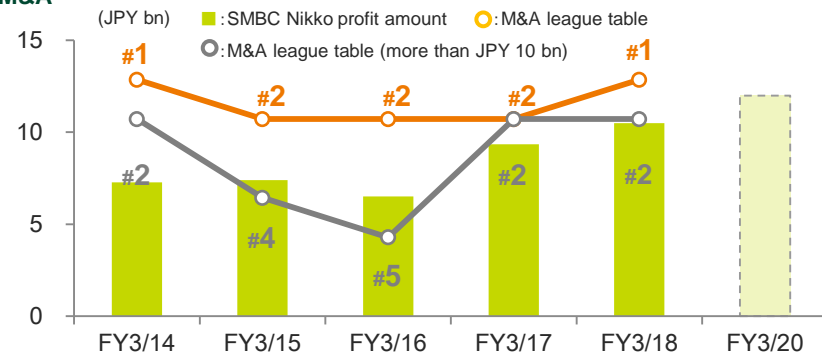
■ Approach toward large global corporates

- ✓ Strategy planning through common account plans between bank and securities
- ✓ Strategic increase of assets
- ✓ Strengthen functions to acquire investment banking deals

League tables



M&A

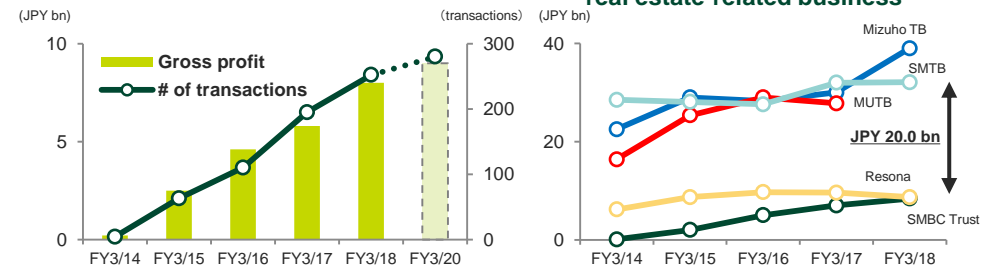


SMBC Trust

- Real estate brokerage business has grown steadily since its establishment
- Stable growth going forward through strategic development of structures

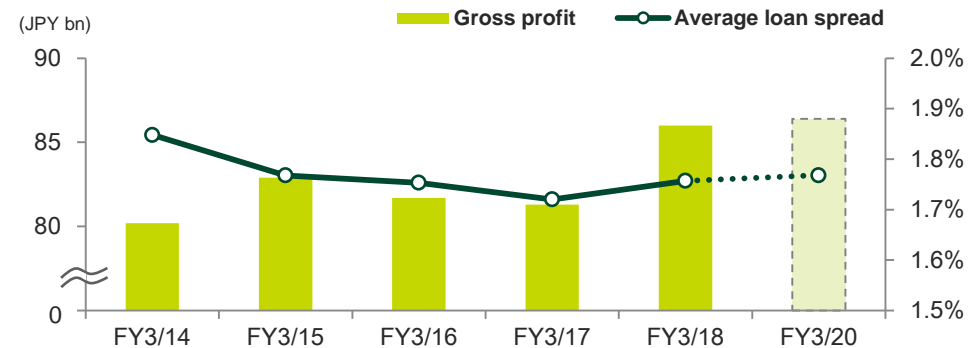
Real estate brokerage

Gross profit of real estate-related business



SMFL

- Record high profits due to improvement in spreads
- Cooperate with partner Sumitomo Corp. through reorganization

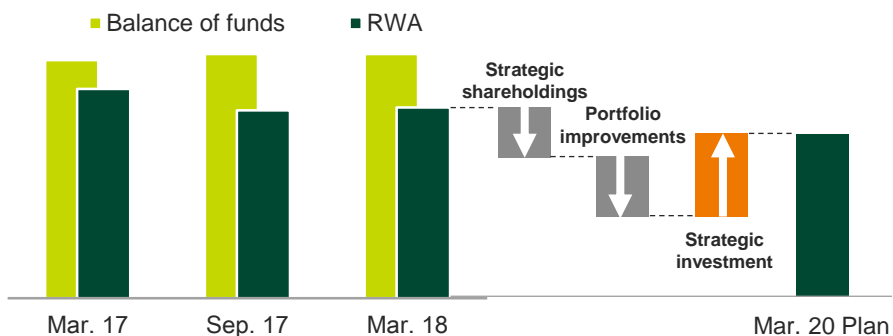


Portfolio management (RWA control, profitability improvement, and strategic shareholdings)

- Continue appropriate RWA control by selling strategic shareholdings and rebalancing the loan portfolio while maintaining the outstanding of loans
- Introduce business performance assessment criteria to improve profitability and raise awareness of profitability at front offices
- Steady progress in reduction of strategic shareholdings. Achieve the target by utilizing a variety of methods

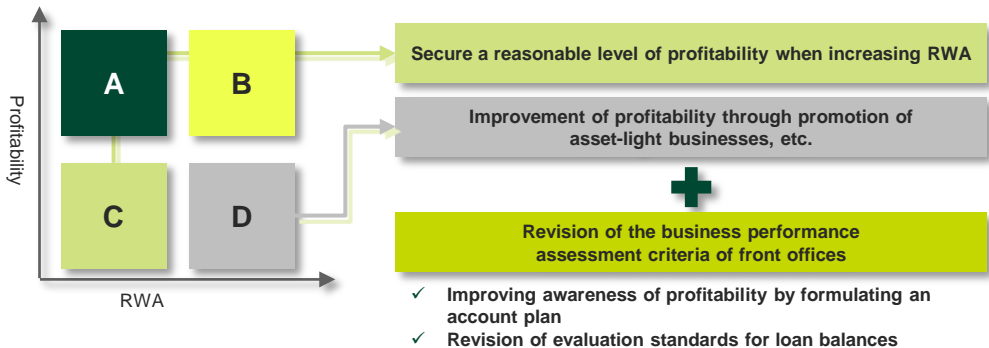
RWA control

- Reduce RWA by selling strategic shareholdings
- Strategic increase of RWA into large global corporates and high-value-added loans generated through portfolio improvement



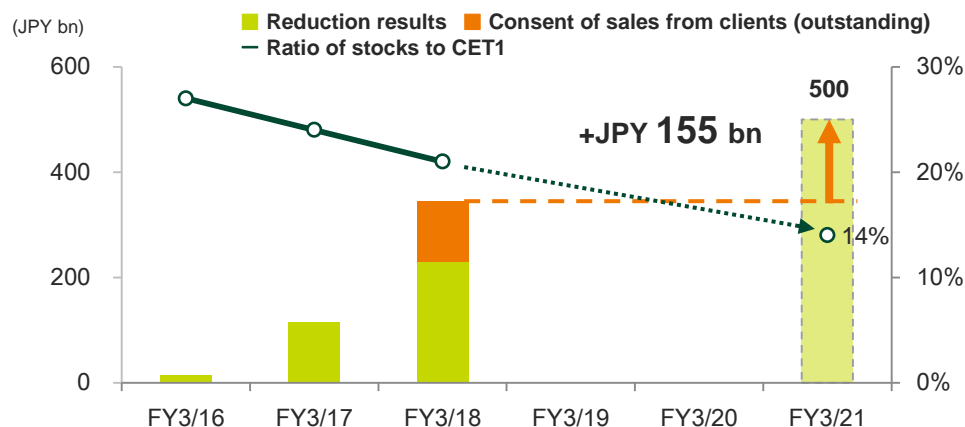
Improving profitability

- Establish basic policies for each segment and clarify areas for profitability improvement



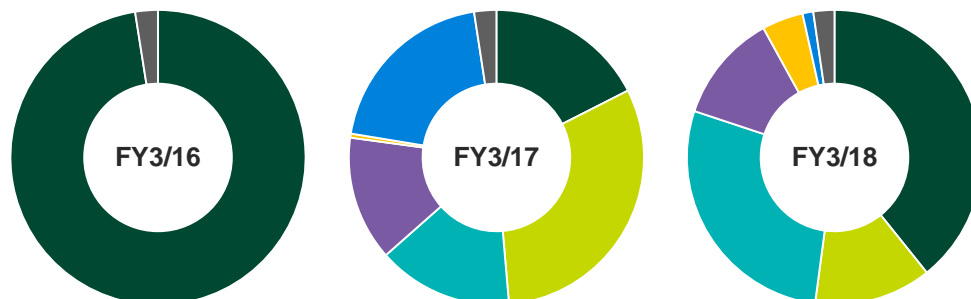
Strategic shareholdings

- Consent of sales from customers and reduction are progressing as planned and are regarded as an important management issue



- Increase consent of sales from clients and reduction through a variety of sales methods tailored to customers' capital policies by utilizing SMBC Nikko's sales and consulting capabilities

- Sale to market
- Sale to banks' shareholdings purchase corporation
- Block offer trade
- Offering
- TOB
- Purchase of treasury stock
- Others



International Business Unit

Masahiko Oshima, Senior Managing Executive Officer

Progress of Medium-Term Management Plan / Management policy

Progress of Medium-Term Management Plan

- Net business profit increased by JPY 31.9 billion from the previous year, and the ROE exceeded the FY3/20 target
- Strong growth in non-asset-related income such as deposits and FX
- Steady progress in key initiatives

Corporate & Investment Banking	<ul style="list-style-type: none"> Promoted cross-selling through bank-securities integration
Products where we hold strengths	<ul style="list-style-type: none"> Strengthened the asset turnover business (O&D)
Asia-centric	<ul style="list-style-type: none"> Promoted the TB business
Disciplined management	<ul style="list-style-type: none"> Increased foreign currency deposits RAF-based credit control

Management policy to improve ROE

■ Increase market share in Corporate & Investment Banking

Raise banking status and promote cross-selling by taking advantage of the strengths of SMBC Group

■ Further enhance product / sectors where we hold strengths

Further improve profitability and market presence by turning over assets

■ Asia-centric

Steady execution of the Asia core client strategy and the Multi-franchise strategy

■ Disciplined business operations

Increase “quality” and “volume” of foreign currency deposits for sustainable growth, and sound portfolio management through RAF

Net business profit / ROE / RWA

Unit: JPY bn

	FY3/18	YoY ^{*1}
Gross profit	632.0	+38.8
Expenses	280.7	+23.2
Overhead ratio	44.4%	+1.0%
Others	46.9	+16.3
Net business profit	398.2	+31.9
ROE^{*2}	10.6%	-
RWA (JPY tn)^{*3}	21.0	-

KPI

	FY3/20 targets (vs FY3/17)	FY3/18	
Bank-securities integration	# of active book runner (securities)	1.5x	1.5x
	# of cross-selling related with securities	2x	3.1x
Asset turnover	# of O&D transactions on focused products	1.5x	2.8x
Asia-centric “Next Stage”	# of key clients in Asia	+15%	+12%
	Non-asset based profit in Asia	+15%	+31%
	Profit from multi-franchise strategy in Indonesia	1.3x	1.02x

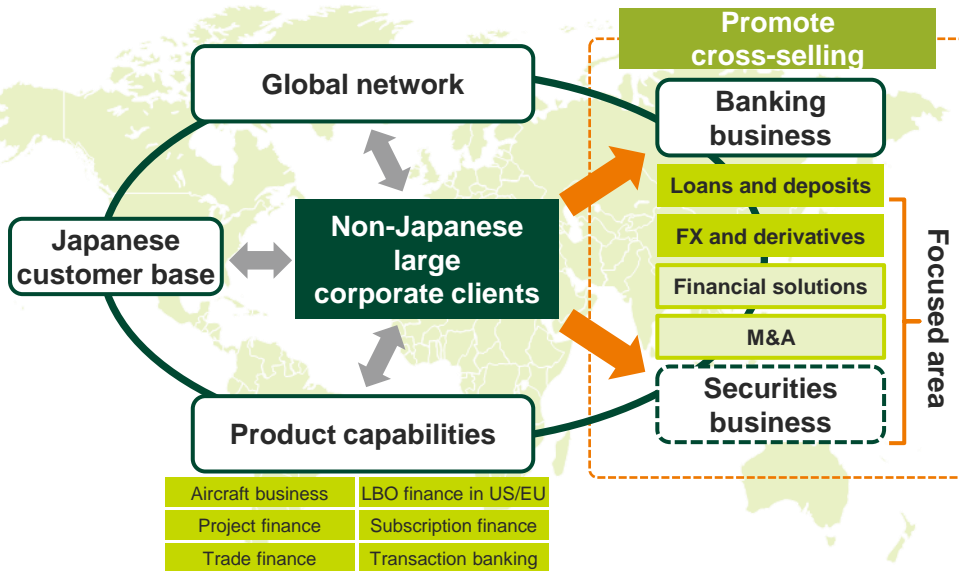
*1 After adjustments of the changes of interest rates and exchange rates *2 Managerial accounting basis with RWA calculated assuming Basel III reforms are finalized. Excludes impact from the mid- to long-term foreign currency funding costs

*3 Basel III transitional basis

Increase market share in Corporate & Investment Banking

- Raise the banking status with non-Japanese large corporate clients and promote cross-selling by taking advantage of the strengths of SMBC Group
 - ✓ Support non-Japanese corporates by leveraging our global network and customer base in Asia and Japan
 - ✓ Build relationships and promote cross-selling by leveraging our global strengths: project finance, aircraft-related finance, etc.

Promote business with large corporate clients utilizing our strengths

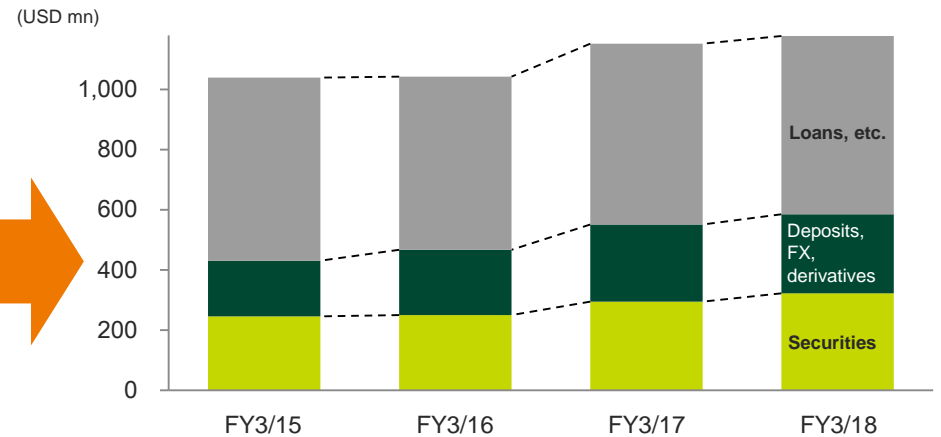


Examples of cross-selling in FY3/18

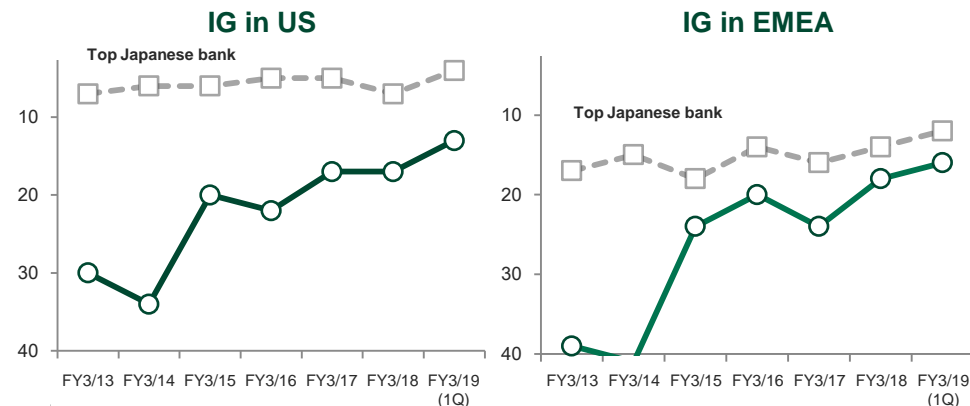
- ✓ **World-class food company**
Improved the banking status with the parent company by leveraging transactions at its Asian locations
- ✓ **Global energy company**
Built top relationship through the project finance business and acquired book runner status for corporate bond transactions, etc.

Revenues by product for non-Japanese large corporate clients in Europe and the U.S.*

* Managerial accounting basis.



DCM League Table



Source: Thomson Reuters

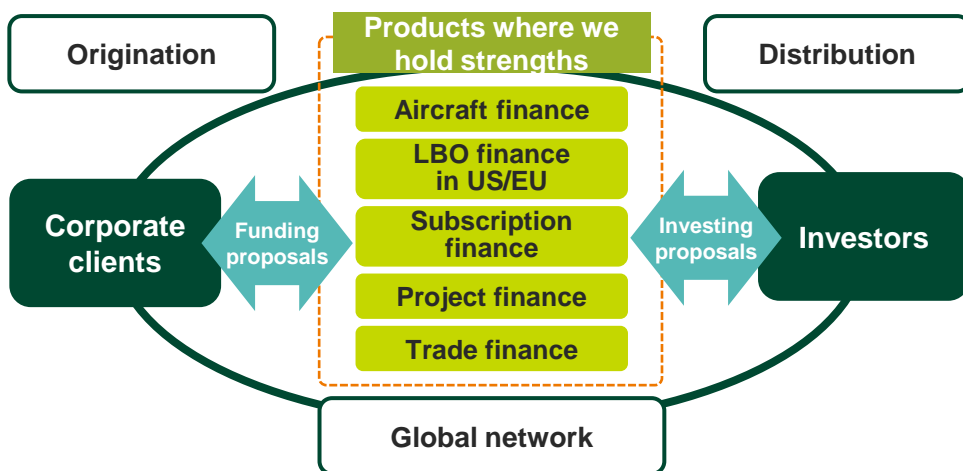
Source: Bloomberg

Further enhance product / sectors where we hold strengths

- Promote the asset turnover business centering on products where we hold strengths
 - ✓ Enhance origination by strategically increasing RWA
 - ✓ Strengthen investment proposals and transactions with domestic and overseas investors

Further improve profitability and enhance presence

Expansion of the O&D business by leveraging our strengths



Products where we hold strengths

- #4 global Aircraft leasing and financing
- #3 global Project finance
- #5* global Subscription finance
- #3 UK Middle LBO
- #4 ECA Trade finance
- #6 North America Railcar leasing

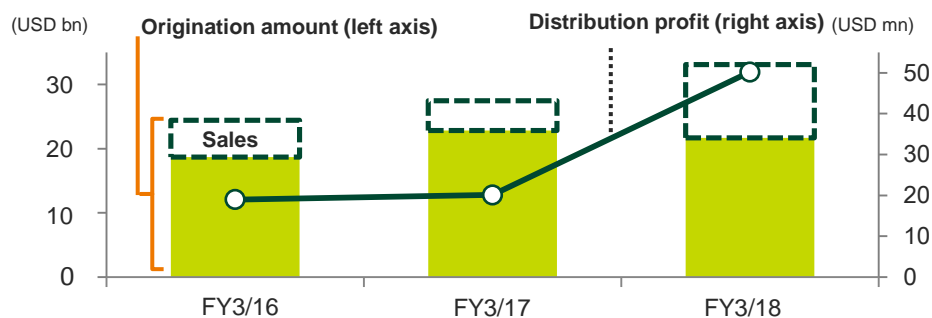


Transaction amount base (our estimate) *

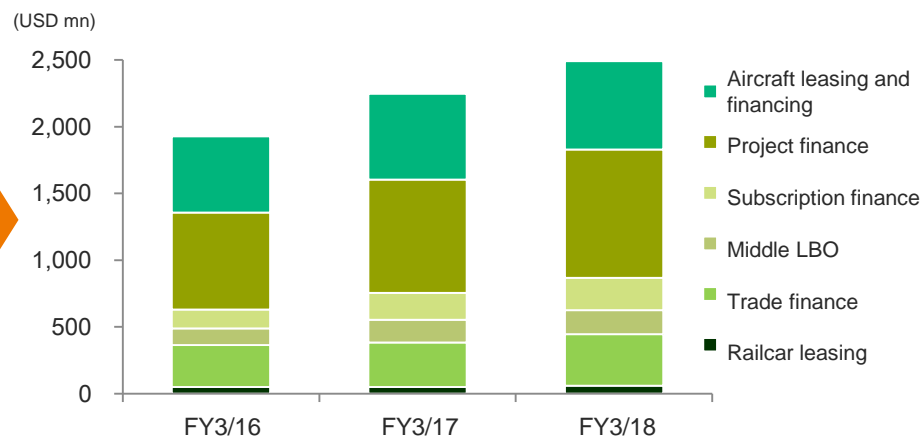
Origination amount and distribution profit*

- O&D initiatives
 - ✓ Joint investment scheme with Japanese investors targeting LBOs in Europe and the U.S.
 - ✓ Origination & Distribution of investment products for aircraft assets, etc.

*Aircraft leasing, LBO finance in US/EU, PF, and subscription finance



Revenues of products where we hold strengths

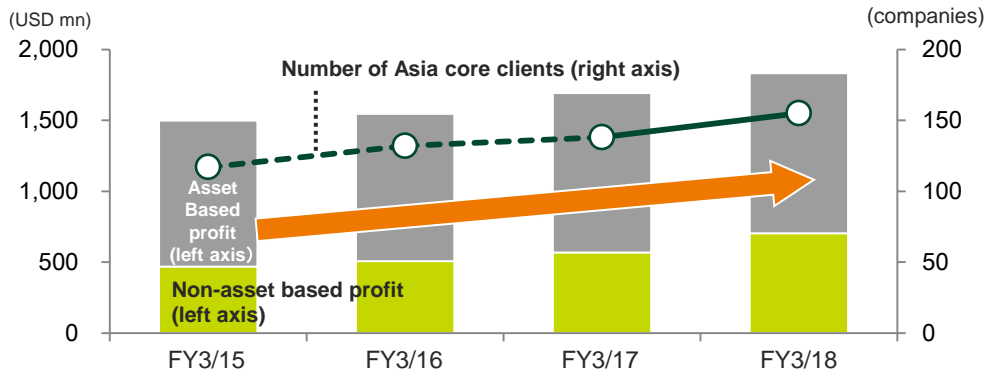


- **Steady execution of the decade-long Asian strategy**

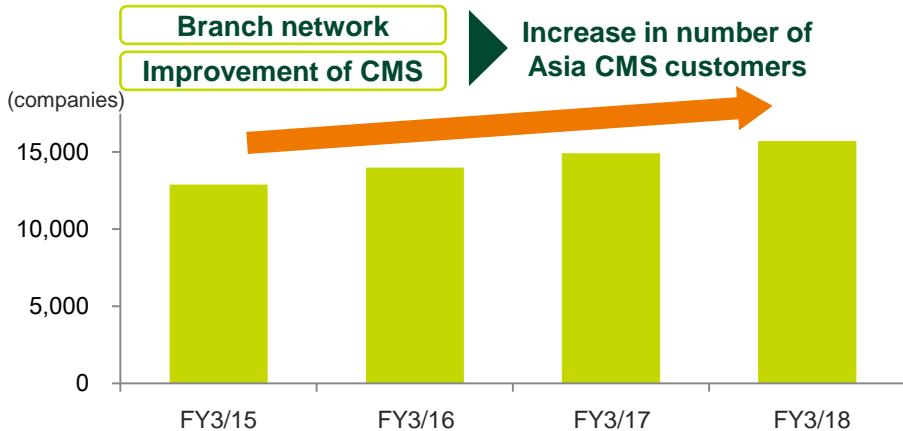
- ✓ **Asia core client strategy:** Enhance non-asset based profit and expand customer base centered on transaction banking
- ✓ **Multi-franchise strategy:** Capture growth of Asia from a medium- to long-term perspective

Asia core client strategy

- **Profit and number of core clients in Asia**



- **Number of Asia CMS customers**



Multi-franchise strategy

- **Started discussions on merger between BTPN and SMBC Indonesia**

- **Transformation to a full-line commercial bank covering both wholesale and retail operations**

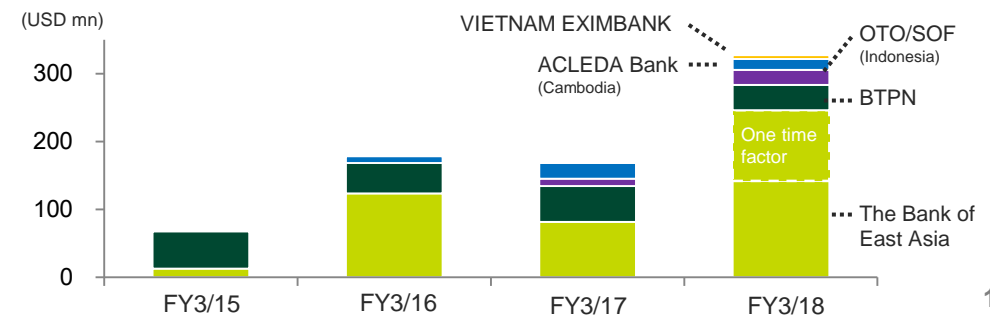
Loan ranking in Indonesia

Loan ranking in Indonesia (IDR tn)			Loan ranking in Indonesia (IDR tn)		
1	Mandiri	708.0	1	Mandiri	708.0
2	BRI	694.2	2	BRI	694.2
3	BCA	451.9	3	BCA	451.9
4	BNI	421.4	4	BNI	421.4
5	BTN	184.5	5	BTN	184.5
6	CIMB	178.8	6	CIMB	178.8
7	Panin	141.2	7	Panin	141.2
8	Danamon	121.8	8	SMBCI+BTPN	124.3
15	BTPN	66.5	9	Danamon	121.8
18	SMBC Indonesia	57.7	9	Maybank	121.8

- **Develop business through various channels**

- ✓ OTO/SOF, a provider of motorcycle loans and automobile loans;
- ✓ Investment in a government-affiliated financial institution engaged in infrastructure PF; etc.

- **Contribution of investments made in Asia (Net business profit)**



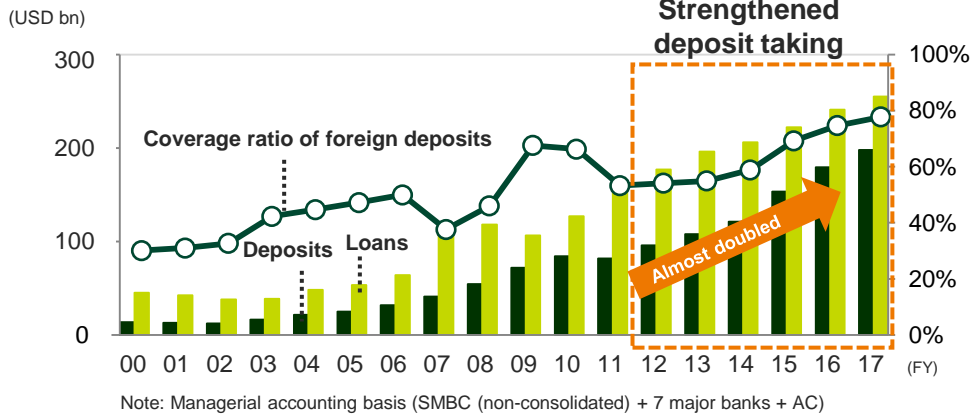
Disciplined business operations

- Foreign currency deposits: Increase both “volume” and “quality” for sustainable growth
- Sound portfolio management through RAF* management

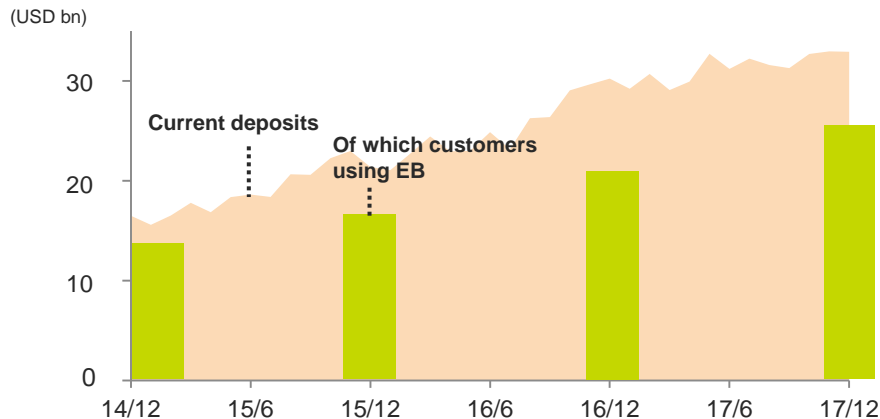
* Internal control framework formulated based on the risk appetite related to business plans and earnings forecasts, risk management policies, and maximum risk exposure and losses for the purpose of accomplishing management targets

Foreign currency deposits

Foreign currency deposits / coverage ratio

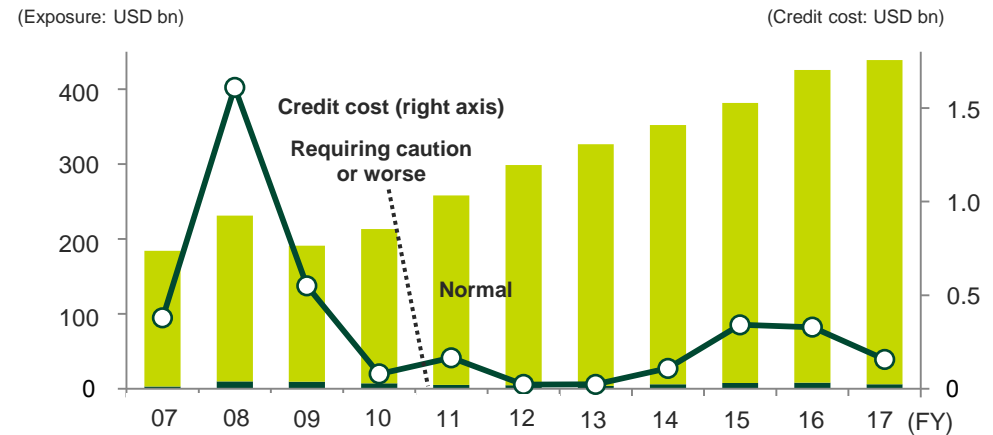


Increase in current deposits (CMS, etc.)

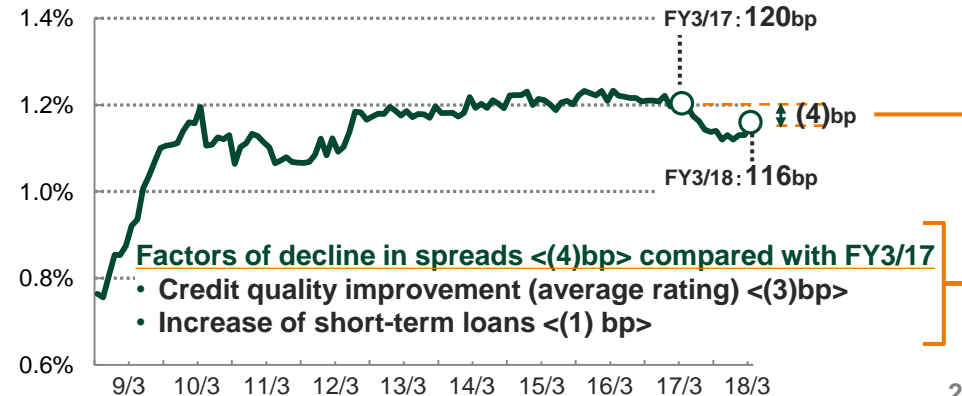


Credit control

Sound portfolio management through RAF management



Portfolio management with awareness of loan spread



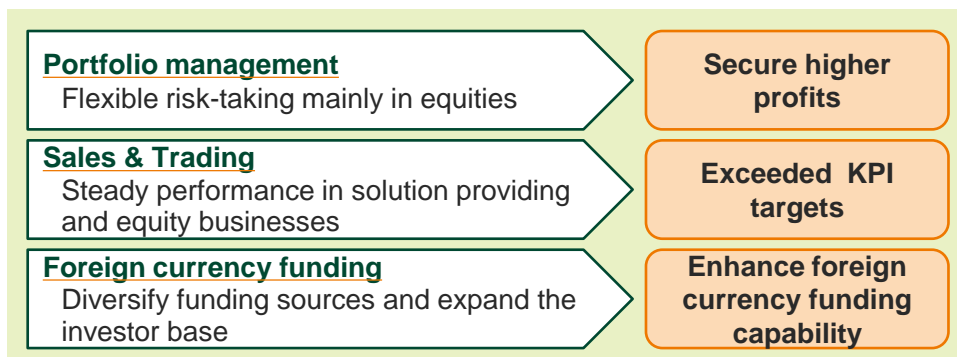
Global Markets Business Unit

Hiroshi Munemasa, Senior Managing Executive Officer

Progress of Medium-Term Management Plan / Management policy

Progress of Medium-Term Management Plan

Made steady progress in all of the three core areas



Management policy to improve ROE

- Establish Sales & Trading as a core business at an early stage while maintaining profitability in portfolio management
- Carry out robust foreign currency B/S management by optimally funding foreign currencies in accordance with the market environment

Portfolio management

- Respond to the rise in market volatility due to global political risks

Sales & Trading

- Acceleration of profitability in the overseas securities business
- Strengthen the structure of global bank-securities collaboration

Foreign currency funding

- Acquire funding in an optimal manner, terms, and currency in accordance with the market environment
- Balance between stability and cost

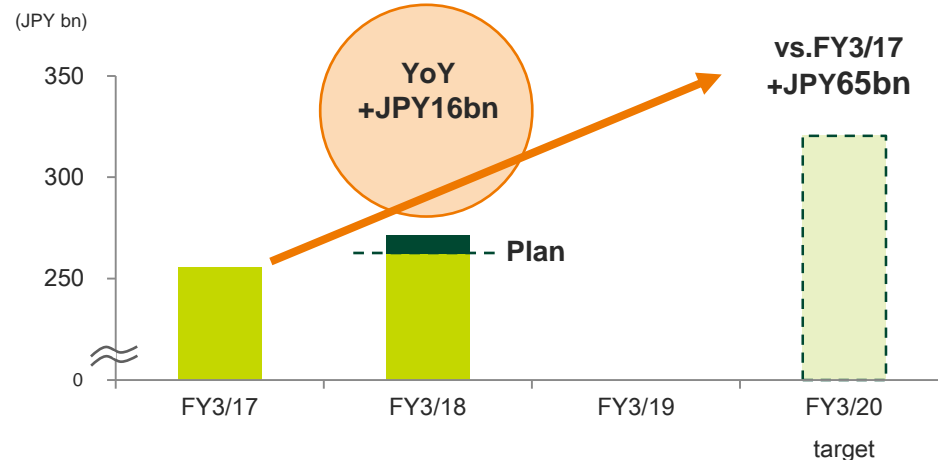
Net business profit / ROE / RWA

Unit: JPY bn

	FY3/18	YoY ^{*1}
Gross profit	356.2	+6.4
Expenses	53.9	+3.3
Overhead ratio	15.1%	+0.7%
Others	17.5	+4.3
Net business profit	319.8	+7.4
ROE^{*2}	33.5%	-
RWA (JPY tn)^{*3}	5.9	-

KPI

Sales & Trading profits



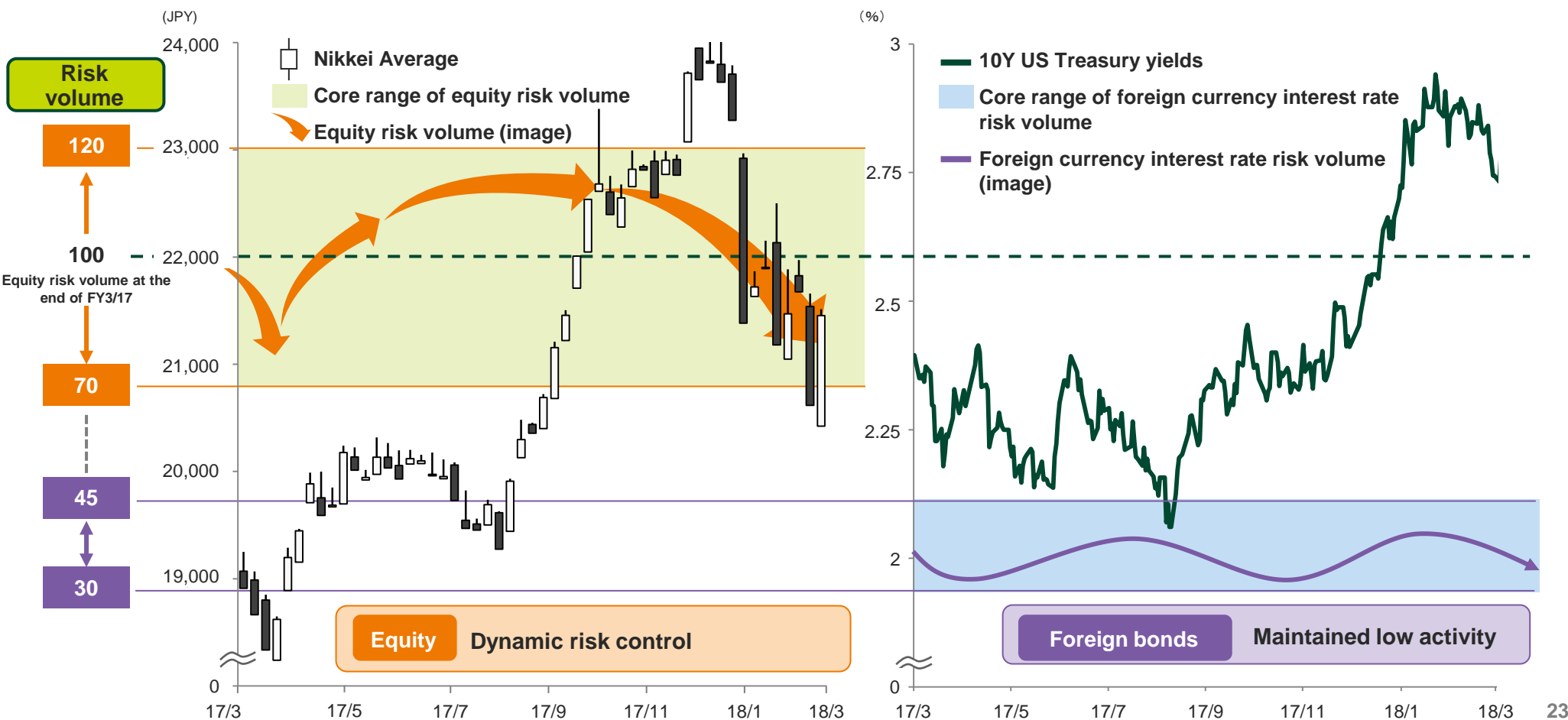
*1 After adjustments for interest rate and exchange rate impacts *2 Managerial accounting basis with RWA calculated assuming Basel III reforms are finalized. Excludes impact from the interest-rate risk associated to the banking account
 *3 Basel III transitional basis

Focused Strategies: Portfolio Management

- FY3/18: Controlled equity risk volume dynamically while managing interest rate risk
- FY3/19: Rebalance the portfolio flexibly in response to the increase of market volatility

Image of portfolio management

FY3/18 Results (Changes in risk volume) Note: Managerial accounting basis

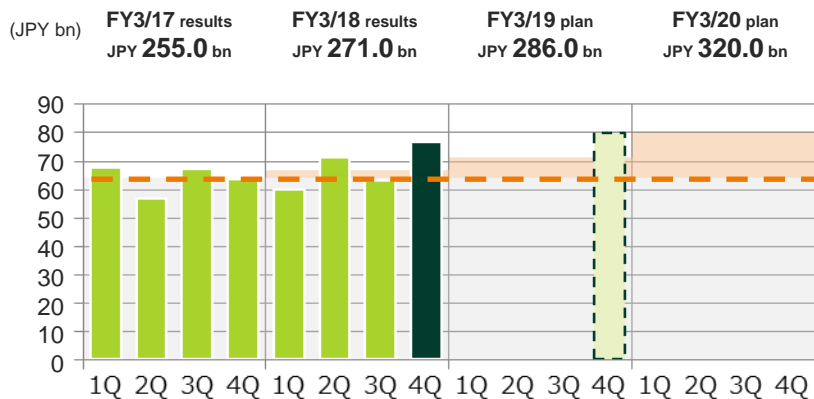


Focused Strategies: Sales & Trading

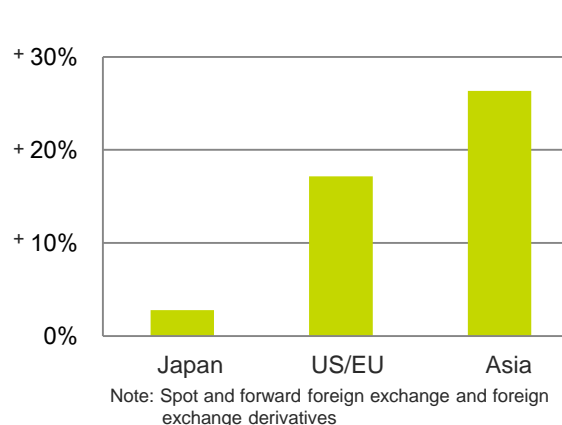
- Strengthen profitability effectively by solidifying the three pillars of ① trading capabilities, ② customer reach, and ③ products and solutions
- Apply market knowledge and expertise cultivated as a major market participant to provide customer solutions

	Banks (domestic)	Securities (domestic)	Banks and securities (overseas)
Self-assessment of profitability 	S&T profit JPY 142.3 bn (YoY +6.8%) 	S&T profit JPY 49.5 bn (YoY +2.7%) 	S&T profit JPY 79.6 bn (YoY +7.2%)
Key initiatives	② Promotion of cross-selling in cross-entity transactions ③ Sophistication of data analysis to enhance solution-providing capabilities	① Strengthen equity facilitation ① ③ Promotion of self-manufacturing of derivatives ③ Expansion of non-flow bond business	① ③ Strengthen local currency trading capability ① ③ Full-scale operation of credit trading

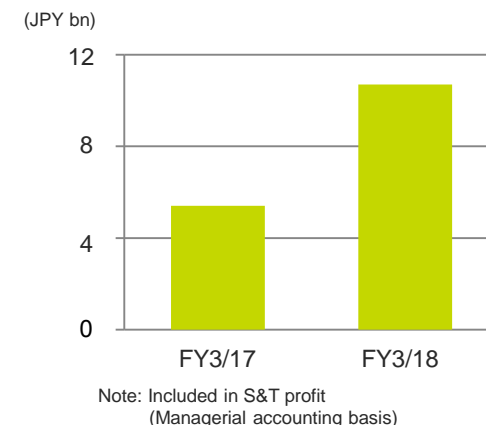
S&T profits (quarterly basis)



FX transactions (YoY)



Equity trading profit (securities)

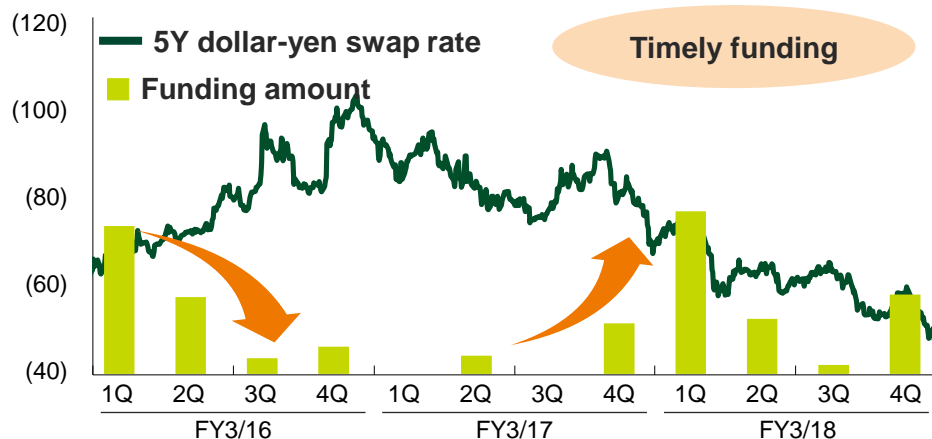


Focused Strategy: Foreign currency funding

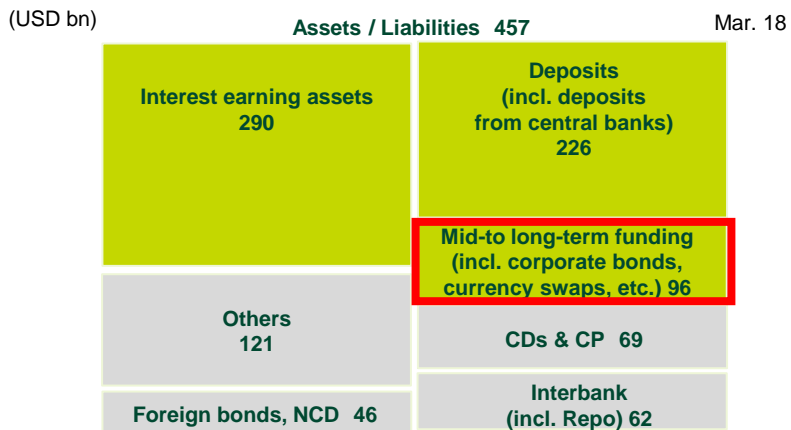
- Reduce cost through timely funding looking at the market environment
- Build a robust foreign currency funding base by enlarging our investors base and diversifying our funding sources

Medium- to long-term currency swaps (yen swaps)

(bp, inverted scale)

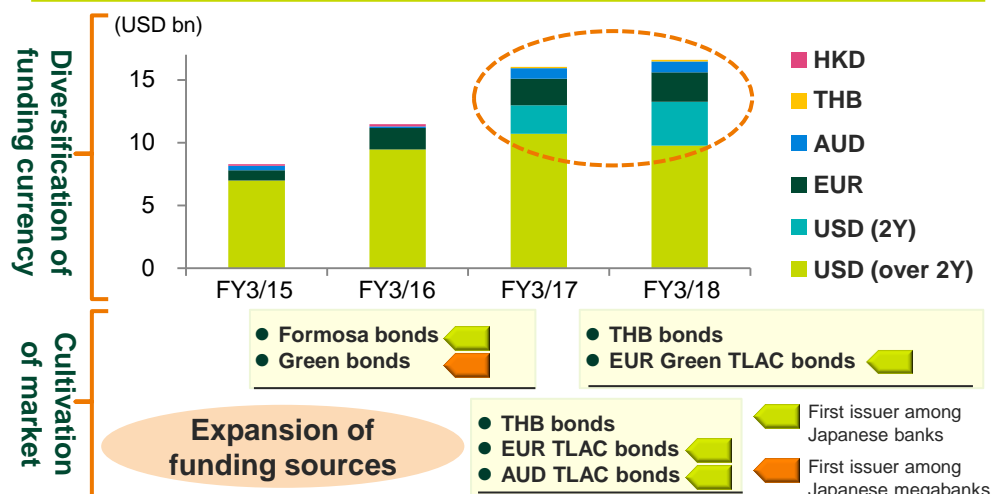


(Ref) Foreign currency balance sheet

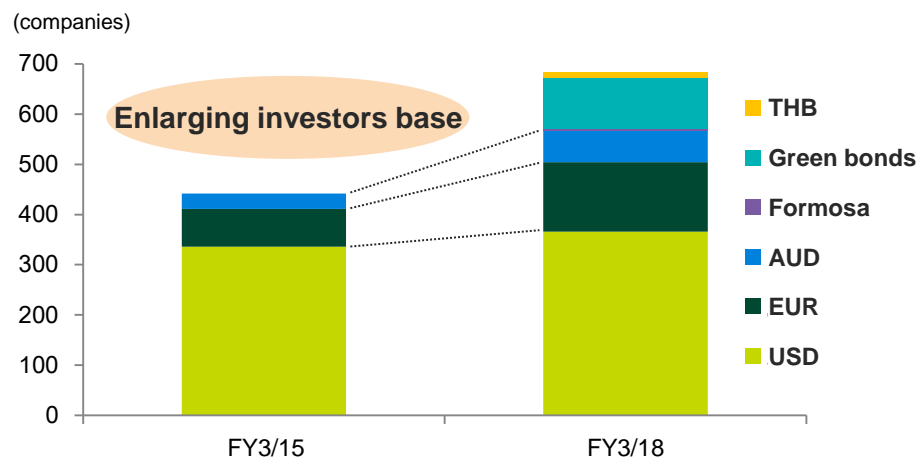


Note: Managerial accounting basis. Sum of SMBC, SMBCE and SMBC (China)

Corporate bond issuance



Number of bond investors



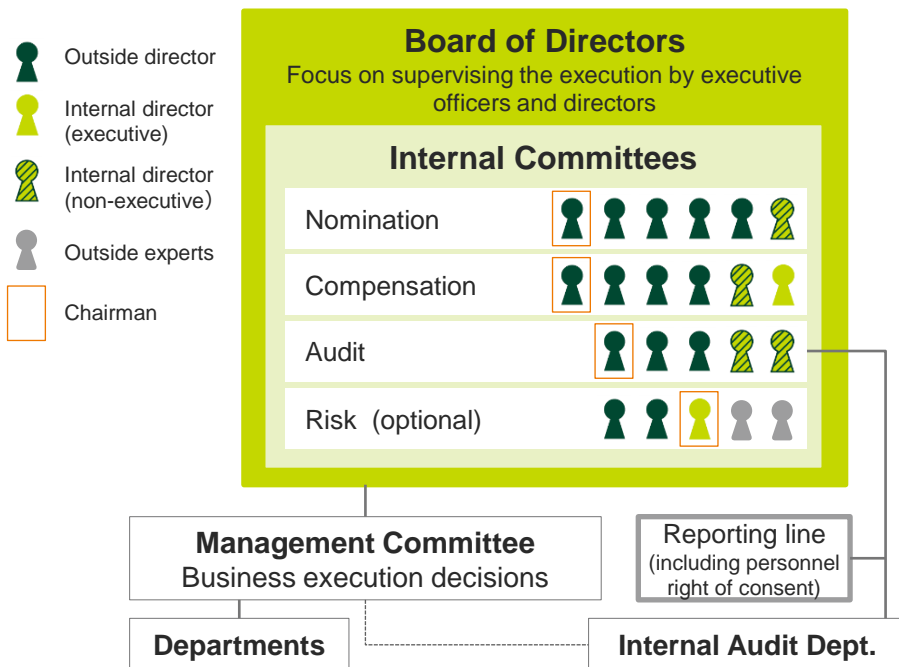
Outside Director

Masayuki Matsumoto, Director

- **Initiatives as an outside director**
- **Looking back the past year as an outside director**

- Enhance governance framework by transforming into a Company with Three Committees
- Seven outside directors with various knowledge and experience have been appointed

Governance framework



Transformed into a Company with Three Committees (Jun. 2017)

- Establish standard G-SIFI governance framework
- Strengthen the supervisory function of the Board of Directors
- Expedite execution of operations

Board of Directors, outside directors

Composition and operation of the Board of Directors

Internal Director (executive)

7 directors

Internal Director (non-executive)

3 directors



Outside Director

7 directors

Expertise

Management	3
Finance/accounting	1
Law	2
Diplomacy	1

FY	FY3/17	FY3/18
# of meetings	14	10
# of agenda items	144	82

Outside director exclusive meetings

- Held to exchange information and share their perception from an independent and objective standpoint. Feedback of the discussion is given to management
- Held twice in FY3/18

Composition of Internal Committees

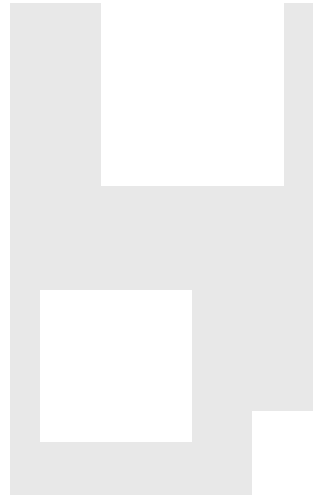
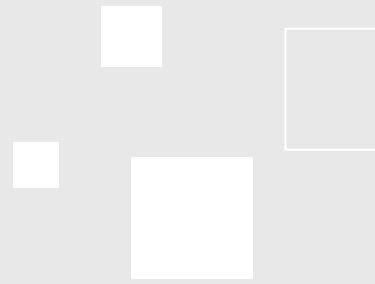
◎ : Chairman, ○ : Member

(As of March 31, 2018)

Committee (inside : outside)		Nomination (1:5)	Compensation (2:4)	Audit (2:3)	Risk (1:4)
Masayuki Matsumoto	Outside director	○		◎	
Arthur M. Mitchell	Outside director	○	○		
Shozo Yamazaki	Outside director			○	○
Masaharu Kohno	Outside director	○			○
Yoshinobu Tsutsui	Outside director	◎	○		
Katsuyoshi Shinbo	Outside director		◎	○	
Eriko Sakurai	Outside director	○	○		
Koichi Miyata	Chairman of the Board	○	○		
Takeshi Kunibe	Director President		○		
Jun Ohta	Director Deputy President and Executive Officer				◎
Toshiyuki Teramoto	Director			○	
Toru Mikami	Director			○	
Hirohide Yamaguchi ^{*1}	Outside expert				○
Nobuyuki Kinoshita ^{*2}	Outside expert				○

*1 Chairman of the Advisory Board of Nikko Research Center, Inc., former Deputy Governor of the Bank of Japan *2 Senior Advisor, Aflac Japan

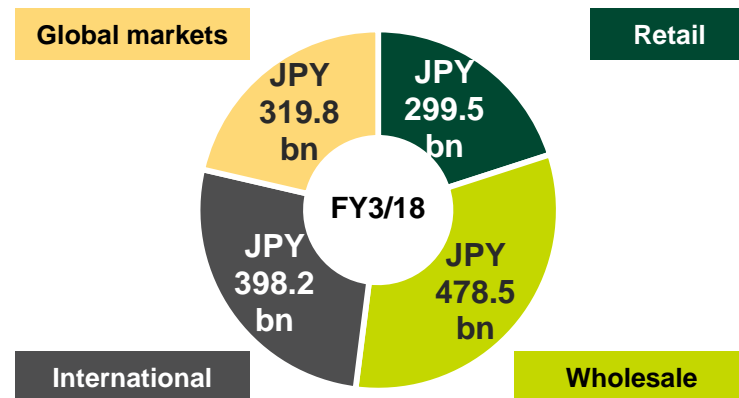
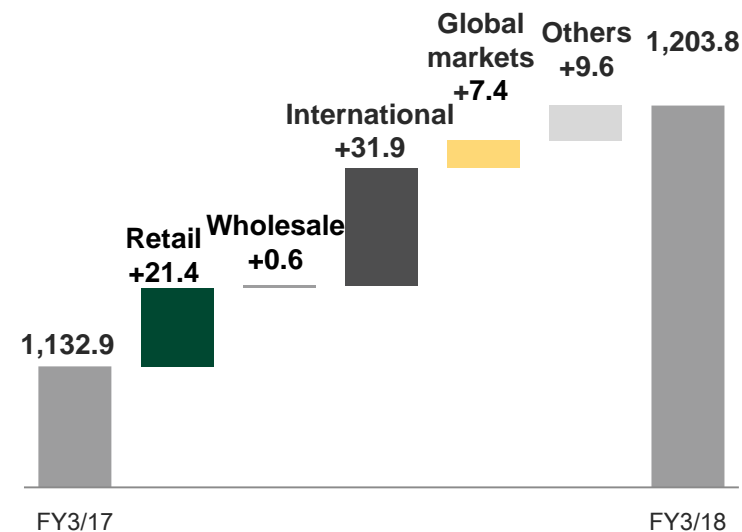
Appendix



		(JPY bn)	FY3/17 ^{*1}	FY3/18	YoY ^{*2}
Retail	Gross profit		1,313.9	1,311.5	+34.2
	Expenses		1,041.1	1,027.5	+16.1
	Overhead ratio		79.2%	78.3%	(0.8)%
	Others		12.1	15.5	+3.3
	Net business profit		284.9	299.5	+21.4
	ROE ^{*3}		-	7.5%	-
	RWA (JPY tn) ^{*4}		-	13.8	-
Wholesale	Gross profit		776.4	772.9	(6.7)
	Expenses		344.8	347.8	+1.6
	Overhead ratio		44.4%	45.0%	+0.6%
	Others		45.7	53.4	+8.9
	Net business profit		477.2	478.5	+0.6
	ROE ^{*3}		-	11.4%	-
	RWA (JPY tn) ^{*4}		-	20.1	-
International	Gross profit		566.1	632.0	+38.8
	Expenses		241.2	280.7	+23.2
	Overhead ratio		42.6%	44.4%	+1.0%
	Others		38.4	46.9	+16.3
	Net business profit		363.4	398.2	+31.9
	ROE ^{*3}		-	10.6%	-
	RWA (JPY tn) ^{*4}		-	21.0	-
Global markets	Gross profit		346.8	356.2	+6.4
	Expenses		50.2	53.9	+3.3
	Overhead ratio		14.5%	15.1%	+0.7%
	Others		8.1	17.5	+4.3
	Net business profit		304.8	319.8	+7.4
	ROE ^{*3}		-	33.5%	-
	RWA (JPY tn) ^{*4}		-	5.9	-

Net business profit by business unit

(JPY bn)



*1 Adjusted retrospectively in the business unit basis which was introduced in FY3/18 *2 After adjustments of the changes of interest rates and exchange rates

*3 Managerial accounting basis with RWA calculated assuming Basel III reforms are finalized. Excludes impact from the provision for losses on interest repayments and the cost from branch reorganization (Retail), the mid- to long-term foreign currency funding costs (International) and the interest-rate risk associated to the banking account (Global Markets)

*4 Basel III transitional basis