

Fixed Income Investor Presentation

October 2012

Sumitomo Mitsui Banking Corporation

The financial figures for SMFG and SMBC included in this presentation are prepared in accordance with generally accepted accounting principles in Japan, or Japanese GAAP



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SMFG / SMBC overview

SMFG (Sumitomo Mitsui Financial Group)

- SMFG is one of the three largest banking groups in Japan with an established global presence
- Designated as one of the G-SIFIs

Market capitalization (TSE:8316 / NYSE:SMFG)	JPY 3.3 tn (USD 43 bn)
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Total assets	JPY 143 tn
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Tier I ratio	12.28 %
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(As of Sep. 28, 2012 for market capitalization and as of Mar. 31, 2012 for others)
(Consolidated)

SMBC's business franchise

- Core operating entity within the SMFG franchise
- Heritage dating back more than 400 years
- **27 million** retail customer deposit accounts
- **110 thousand** domestic corporate loan clients
- **437** domestic branches
- **60** overseas franchises^{*1}

Ratings (Moody's / S&P)^{*2}	Aa3 / A+
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(As of Mar. 31, 2012, except for the ratings)

SMBC's asset quality and liquidity

Total assets	JPY 119 tn
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Loans	JPY 56 tn
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Deposits	JPY 84 tn
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Loan-to-deposit ratio	66.8 %
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Non-performing loan ratio	1.86 %
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(As of Mar. 31, 2012, non-consolidated)

SMBC's profitability

FY3/12

Gross banking profit	JPY 1,533 bn
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Banking profit (before provisions)^{*3}	JPY 813 bn
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Net income	JPY 478 bn
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Overhead ratio^{*4}	46.9 %
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(Non-consolidated)

*1 SMBC's branches and subsidiaries

*2 SMBC's long-term senior unsecured bond ratings

*3 Before provision for general reserve for possible loan losses

*4 Expenses divided by gross banking profit

Credit ratings of G-SIFIs by Moody's*

	Apr. 2001		Jul. 2007		Sep. 2012	
Aaa	Lloyds TSB Bank		Bank of America Bank of New York Mellon Citibank JPMorgan Chase Bank	Lloyds TSB Bank Royal Bank of Scotland UBS Wells Fargo Bank		
Aa1	Bank of America Crédit Agricole	Wells Fargo Bank UBS	Banco Santander Barclays Bank BNP Paribas Crédit Agricole Credit Suisse Deutsche Bank	HSBC Bank ING Bank Nordea Bank Société Générale State Street Bank & Trust	Bank of New York Mellon	
Aa2	Bank of New York Mellon Barclays Bank Citibank HSBC Bank	ING Bank JPMorgan Chase Bank Royal Bank of Scotland State Street Bank & Trust	SMBC BPCE(Banque Populaire) BTMU	Mizuho CB/BK UniCredit	State Street Bank & Trust	
Aa3	Banco Santander BNP Paribas BPCE(Banque Populaire) Commerzbank	Deutsche Bank Société Générale UniCredit	Commerzbank AG Goldman Sachs Bank Morgan Stanley Bank		SMBC BTMU HSBC Bank	JPMorgan Chase Bank Nordea Bank Wells Fargo Bank
A1	Credit Suisse		Bank of China		Bank of China Credit Suisse Mizuho CB/BK	
A2	BTMU				Barclays Bank BNP Paribas BPCE(Banque Populaire) Crédit Agricole Deutsche Bank	Goldman Sachs Bank ING Bank Lloyds TSB Bank Société Générale UBS
A3	SMBC	Mizuho CB/BK			Bank of America Citibank Commerzbank	Morgan Stanley Bank Royal Bank of Scotland
Baa1	Bank of China					
Baa2					Banco Santander UniCredit	

* Long-term issuer ratings (if not available, long-term deposit ratings) of operating banks

Financial soundness

- Capital
- Asset quality
- Liquidity
- Foreign currency funding

Profitability

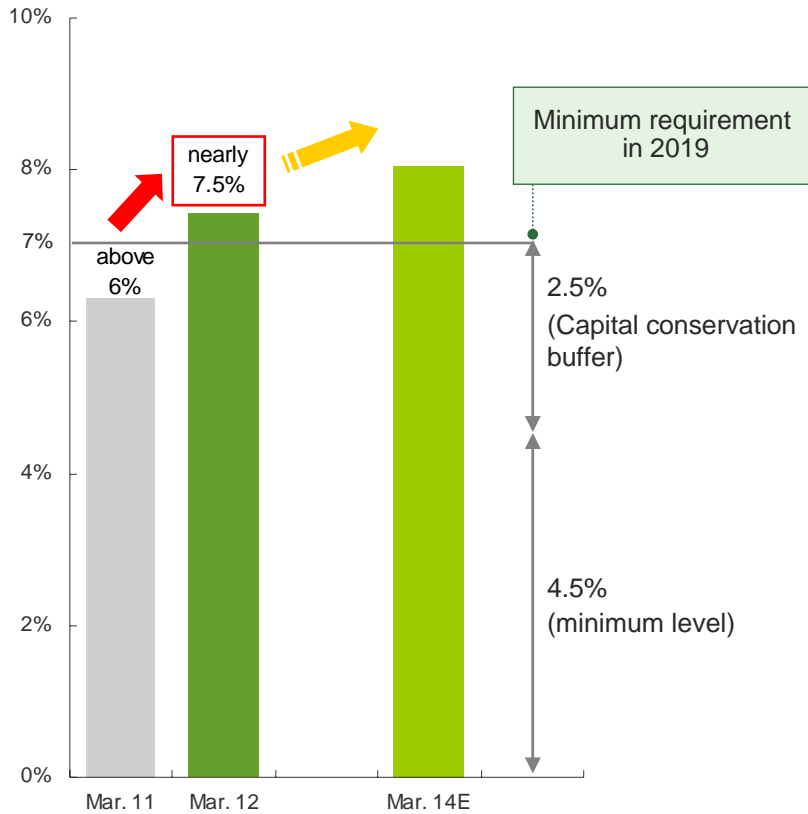
- Productivity
- Loan balance & spread
- Expenses
- Credit costs

Growth

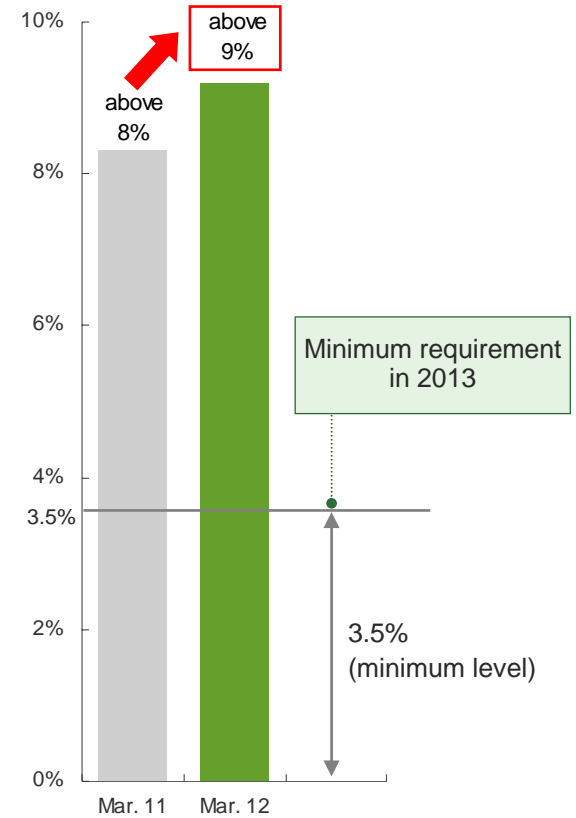
- International business
- Securities business

Capital - approaching target

SMFG Core Tier I ratio*1
Basel III fully loaded basis*2, 3



SMFG Core Tier I ratio*1
Basel III initial implementation basis*2

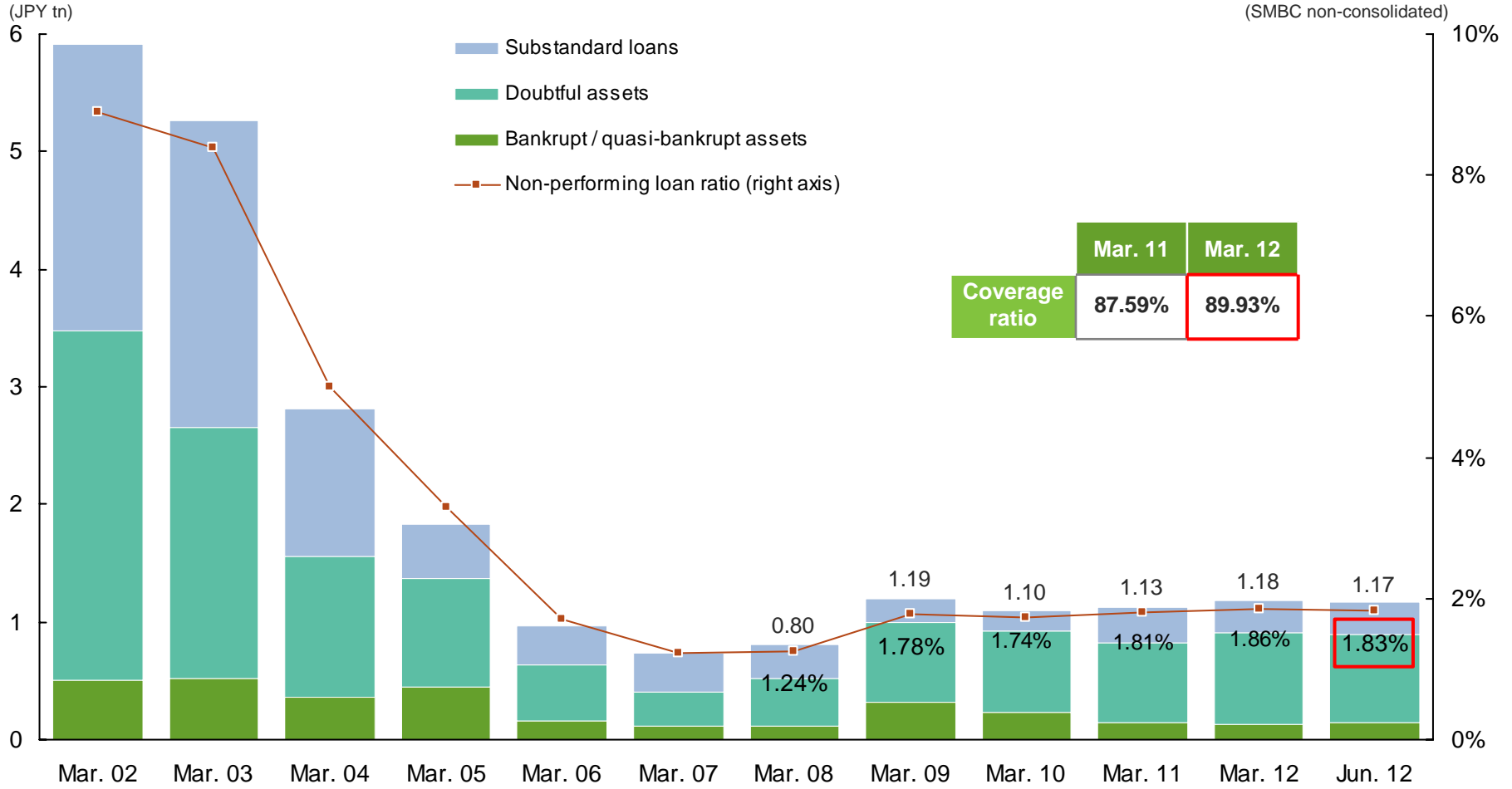


(SMFG consolidated)

*1 Common Equity Tier I ratio under Basel III
 *2 Pro forma
 *3 Regulatory adjustments are fully deducted

Asset quality - solid loan portfolio

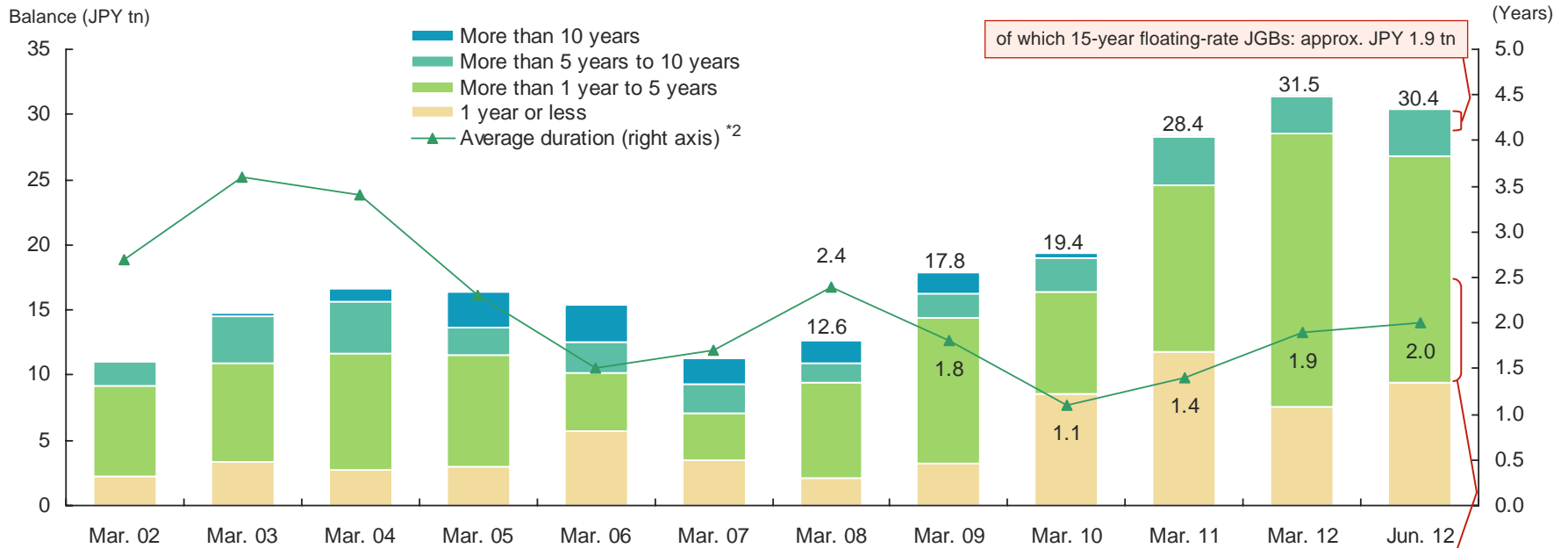
Balance of non-performing loans



Asset quality - bond portfolio

Yen bond portfolio*1

(SMBC non-consolidated)



of which 15-year floating-rate JGBs: approx. JPY 1.9 tn

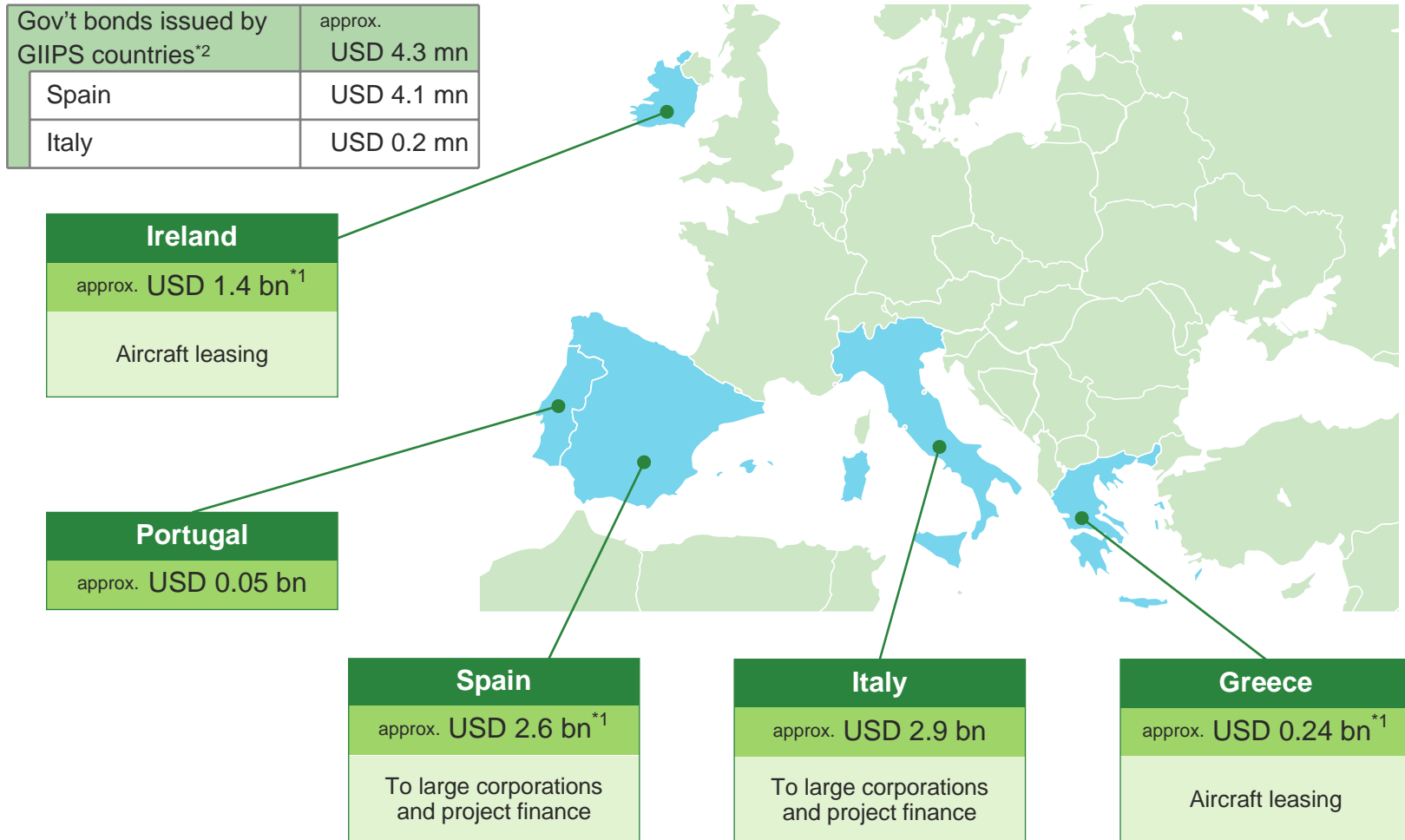
of which 2 years or less: JPY 6.0 tn (change from Mar. 12: JPY (2.5) tn)

Unrealized gains / (losses) (JPY bn)*3	Mar. 09	Mar. 10	Mar. 12	Jun. 12
	116.1	71.9	104.4	117.8

*1 Total balance of bonds with maturities classified as "Other securities" and bonds of held-to-maturity; total of JGBs, Japanese local government bonds and Japanese corporate bonds
 *2 Excluding bonds of held-to-maturity, bonds for which hedge-accounting is applied, and private placement bonds. Duration of 15-year floating rate JGBs is regarded as zero (duration of JGBs portfolio for Mar. 02)
 *3 15-year floating-rate JGBs have been carried at their reasonably estimated amounts from Mar. 09

Asset quality - exposure to GIIPS countries

Approx. USD 7.2 billion*¹ as of June 2012

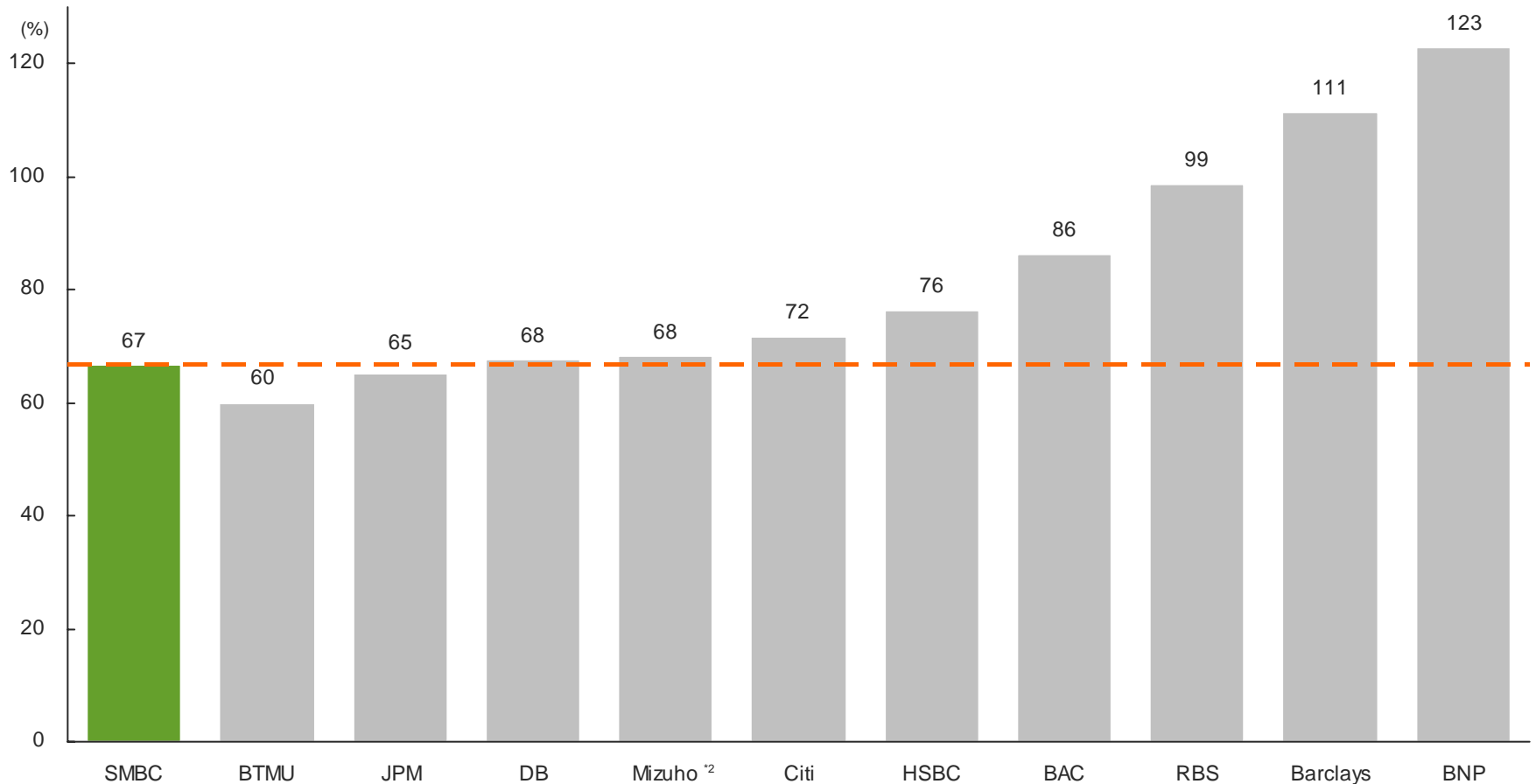


*¹ Aircraft leasing by newly consolidated SMBC Aviation Capital is approx. USD 1.48 bn; approx. USD 1 bn in Ireland, approx. USD 0.3 bn in Spain and approx. 0.18 bn in Greece

*² Secondary holdings of government bonds in SMBC Nikko

Liquidity - supported by a sticky domestic deposit base

Loan-to-deposit ratio*1



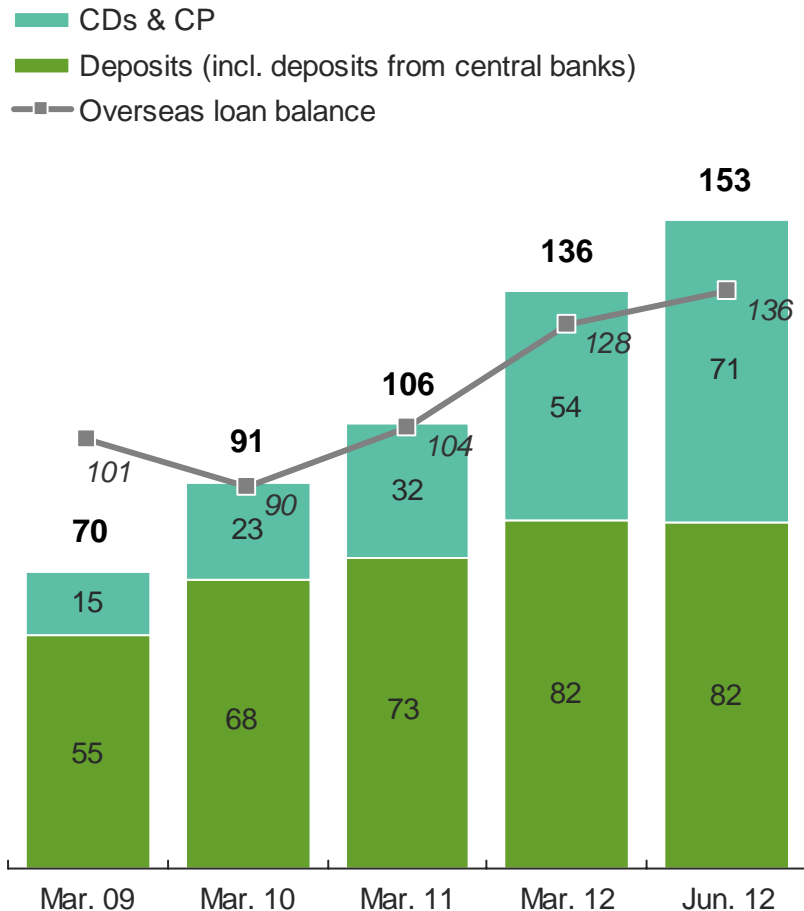
*1 Based on each company's financial statements, as of Mar. 31, 2012 for SMBC, The Bank of Tokyo-Mitsubishi UFJ ("BTMU") and Mizuho, and as of June. 30, 2012 for others. Figures of SMBC, BTMU and Mizuho are on a non-consolidated basis. The others are on a consolidated basis

*2 Aggregate of Mizuho Bank and Mizuho Corporate Bank

Foreign currency funding (1)

Overseas deposit & loan balance*

(USD bn)



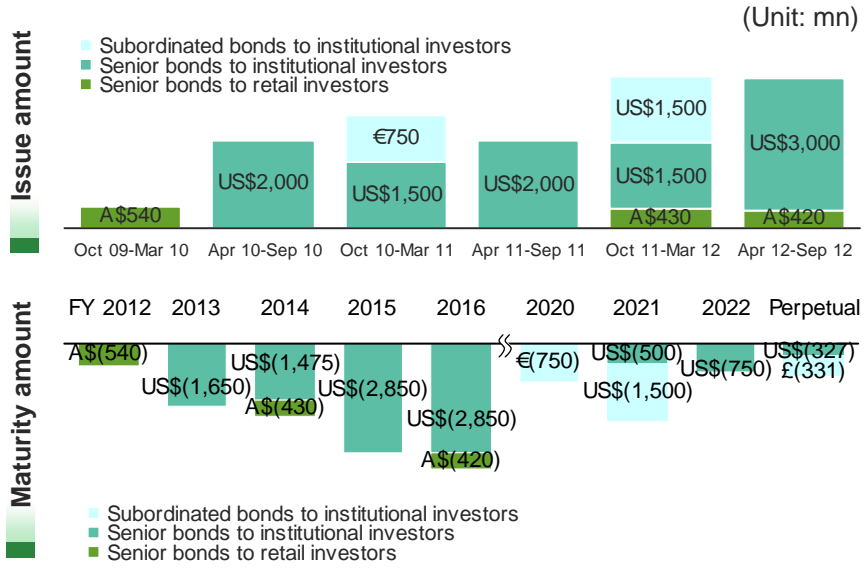
Diversification of foreign currency funding

- CP program for short-term funding
 - USD CP Program:
 - Established Nov. 2009 (USD 5bn)
 - Expanded Nov. 2011 (USD 15bn)
 - Euro CP Program:
 - Established Nov. 2011 (EUR 10bn)
- Benchmark bond transactions
 - USD denominated senior bonds:
 - In order to build a more robust and broader investor base, issued the first senior bonds via 3(a)(2) format in July 2012
 - Issued periodically in 144A/RegS format since 2010
 - USD and EUR denominated subordinated bonds: issued to international investors
 - AUD denominated senior bonds: issued to Japanese domestic retail investors

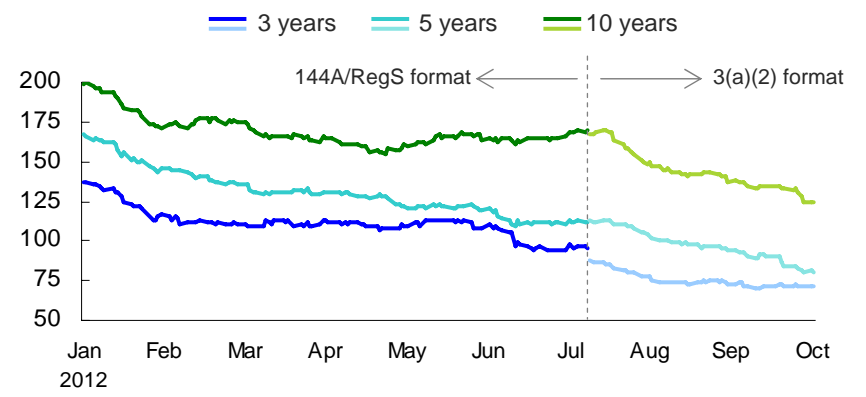
* Managerial accounting basis, exchanged at respective period-end exchange rates. Sum of SMBC, SMBC Europe and SMBC (China)

Foreign currency funding (2)

Issue and maturity of foreign currency bonds



Secondary spread of selected SMBC bonds*1



*1 Source Bloomberg
 *2 Foreign currency bonds other than AUD denominated bonds are issued to international investors
 *3 Spread over US Treasury except for Euro denominated bonds issued at Nov. 9, 2010 (over Mid Swap)

Foreign currency bonds issued since 2010*2

Issue date	Sub/Senior	Format	Tenor	Amount (mn)	Coupon	Spread*3
USD denominated						
Jul. 22, 2010	Senior	144A/RegS	3 years	USD 1,000	2.15%	+118bp
			5 years	USD 1,000	3.15%	+137.5bp
Jan. 14, 2011	Senior	144A/RegS	3 years	USD 650	1.95%	+90bp
			5 years	USD 850	3.10%	+103bp
Jul. 22, 2011	Senior	144A/RegS	3 years	USD 400	1.90%	+130bp
			3 years	USD 500	LIBOR+0.95%	LIBOR+0.95%
			5 years	USD 1,100	2.90%	+150bp
Jan. 12, 2012	Senior	144A/RegS	3 years	USD 500	1.90%	+155bp
			5 years	USD 500	2.65%	+180bp
Mar. 1, 2012	Sub	RegS	10 years	USD 500	3.95%	+200bp
			10 years	USD 1,500	4.85%	+285bp
Jul. 18, 2012	Senior	3(a)(2)	3 years	USD 1,000	1.35%	+100bp
			5 years	USD 1,250	1.80%	+120bp
			10 years	USD 750	3.20%	+170bp
Euro denominated						
Nov. 9, 2010	Sub	144A/RegS	10 years	Euro 750	4.00%	+130bp
AUD denominated						
Mar. 16, 2010	Senior	Domestic Retail	3 years	AUD 540	5.76%	--
Dec. 21, 2011	Senior	Domestic Retail	3 years	AUD 430	4.28%	--
Jun. 21, 2012	Senior	Domestic Retail	4 years	AUD 420	4.07%	--

■ Highlights

Financial soundness

- Capital
- Asset quality
- Liquidity
- Foreign currency funding

Profitability

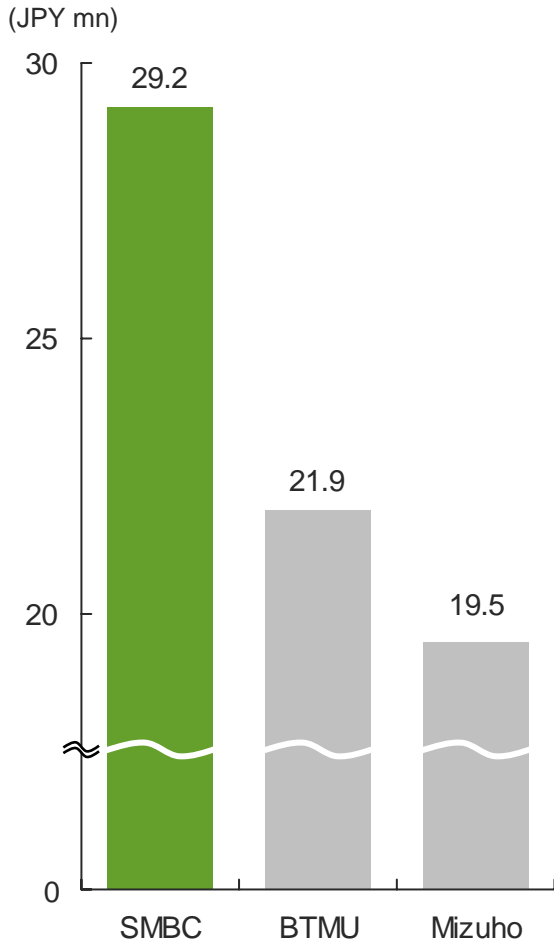
- Productivity
- Loan balance & spread
- Expenses
- Credit costs

Growth

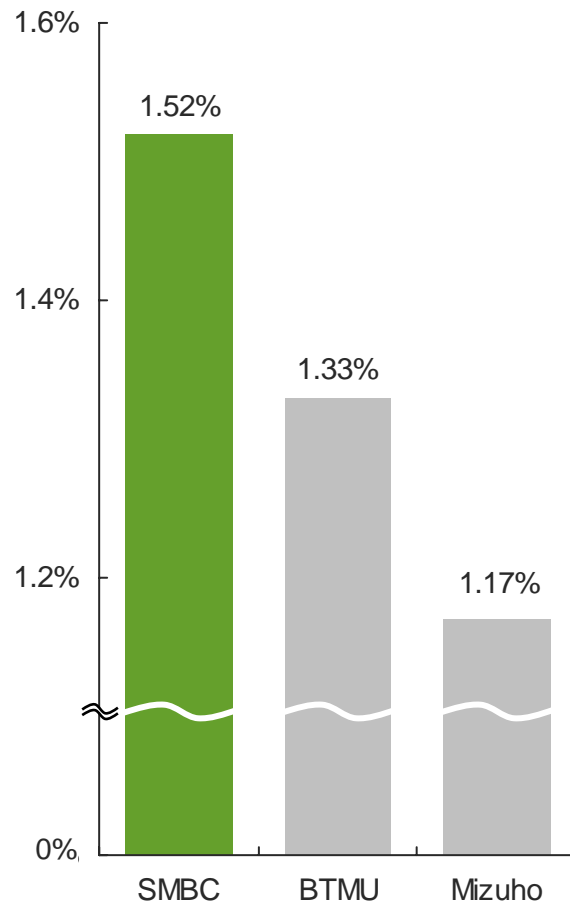
- International business
- Securities business

Profitability - highest profitability among Japanese peers

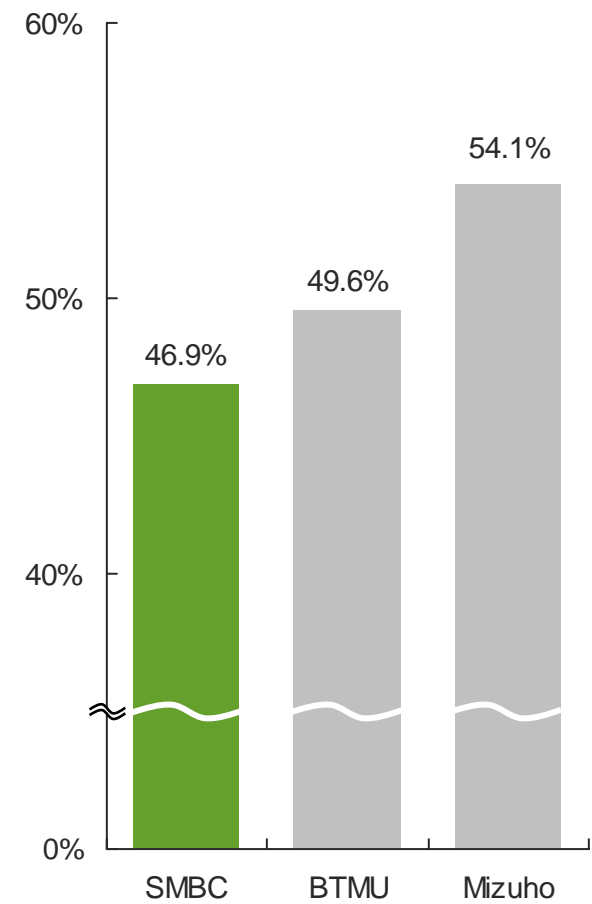
Banking profit per employee*1,2



Domestic loan-to-deposit spread*1



Overhead ratio*1



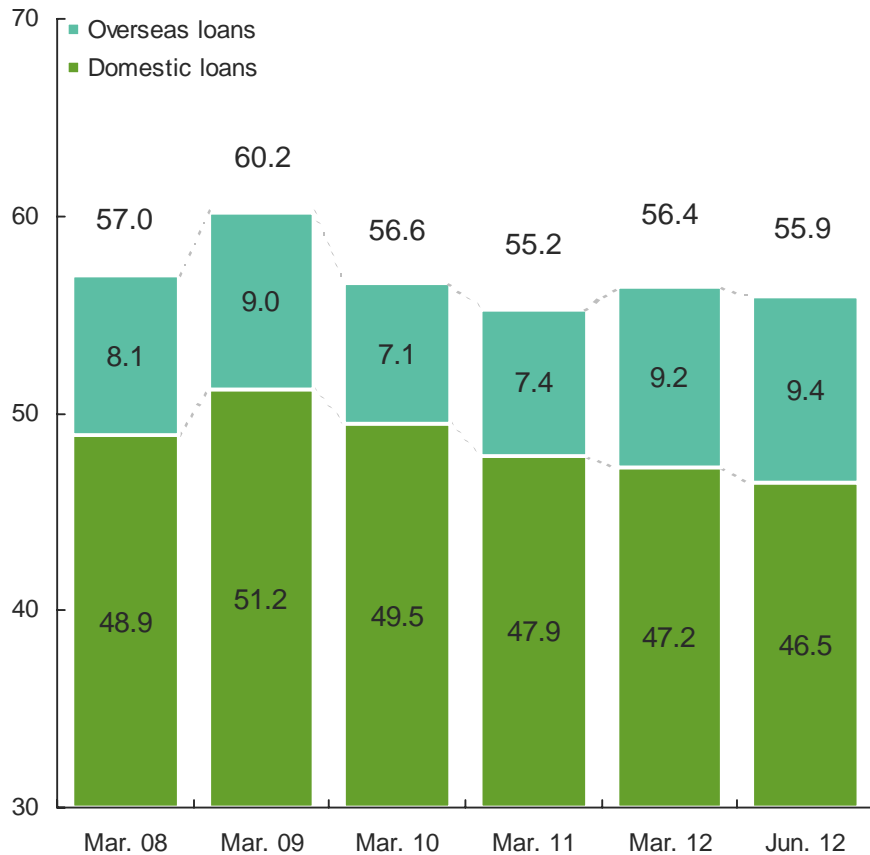
*1 Based on each company's FY3/2012 disclosure. The figures shown in the graph are: non-consolidated figures of SMBC and BTMU, and sum of Mizuho Bank and Mizuho Corporate Bank for Mizuho

*2 Before provision for general reserve for possible loan losses, excluding gains (losses) on bonds

Loan balance and exposures

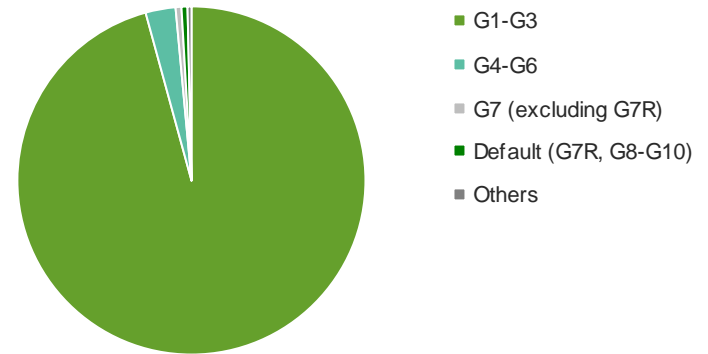
Loan balance

(JPY tn) (SMBC non-consolidated)

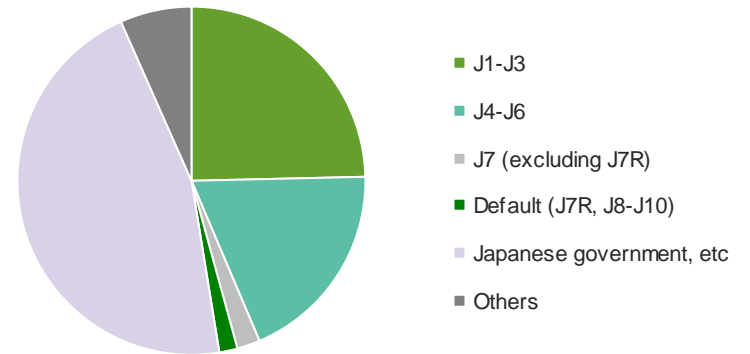


Exposures by obligor grade* (corporate, sovereign and bank)

● Overseas exposures (SMFG consolidated)



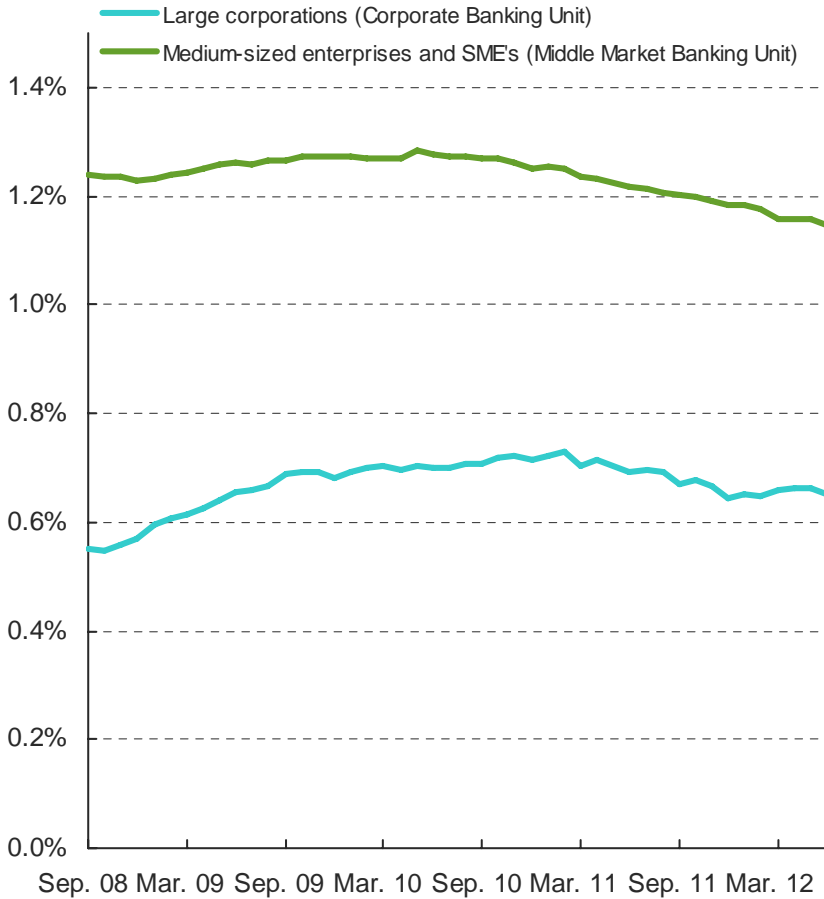
● Domestic exposures



* As of Mar. 2012. Exposures include credit to domestic and overseas commercial/industrial companies, individuals for business purposes, sovereigns, public sector entities, and financial institutions. See appendix for details on obligor grade

Loan spread*1

Domestic*2



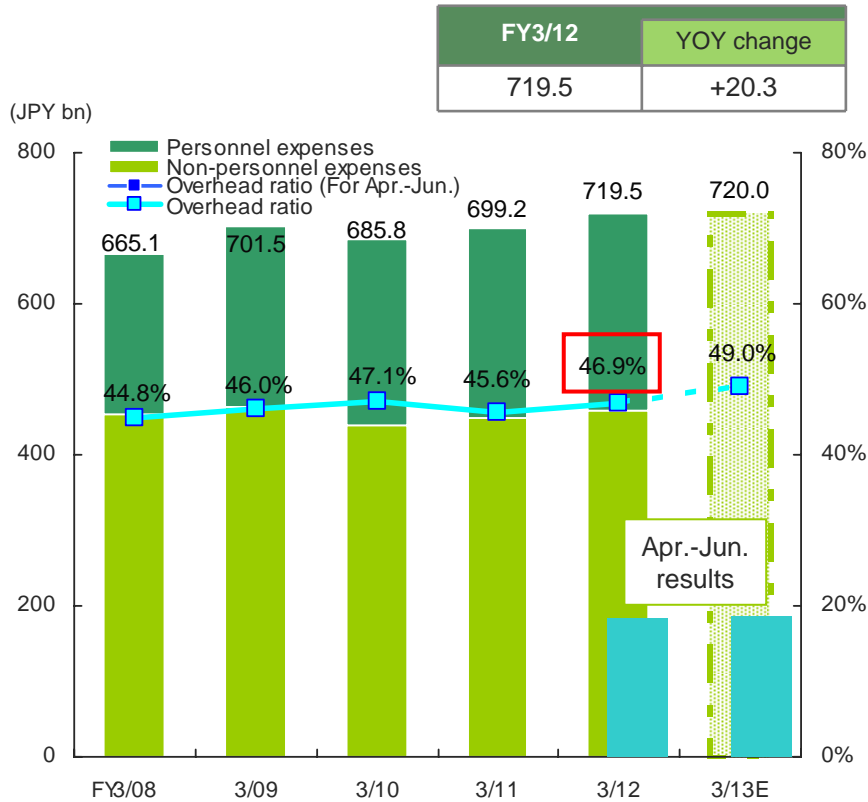
Overseas*3



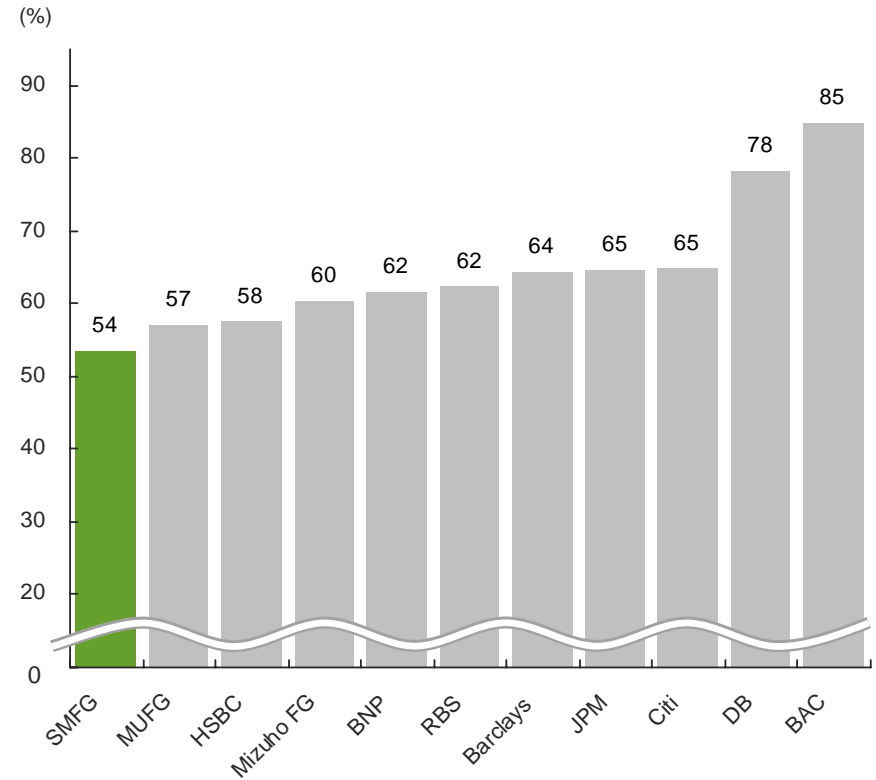
*1 Managerial accounting basis. Average loan spread of existing loans *2 SMBC non-consolidated *3 Sum of SMBC, SMBC Europe and SMBC (China)

Expenses - control both in SMBC and on a group-wide basis

Expenses*1



Overhead ratio on group consolidated basis*2



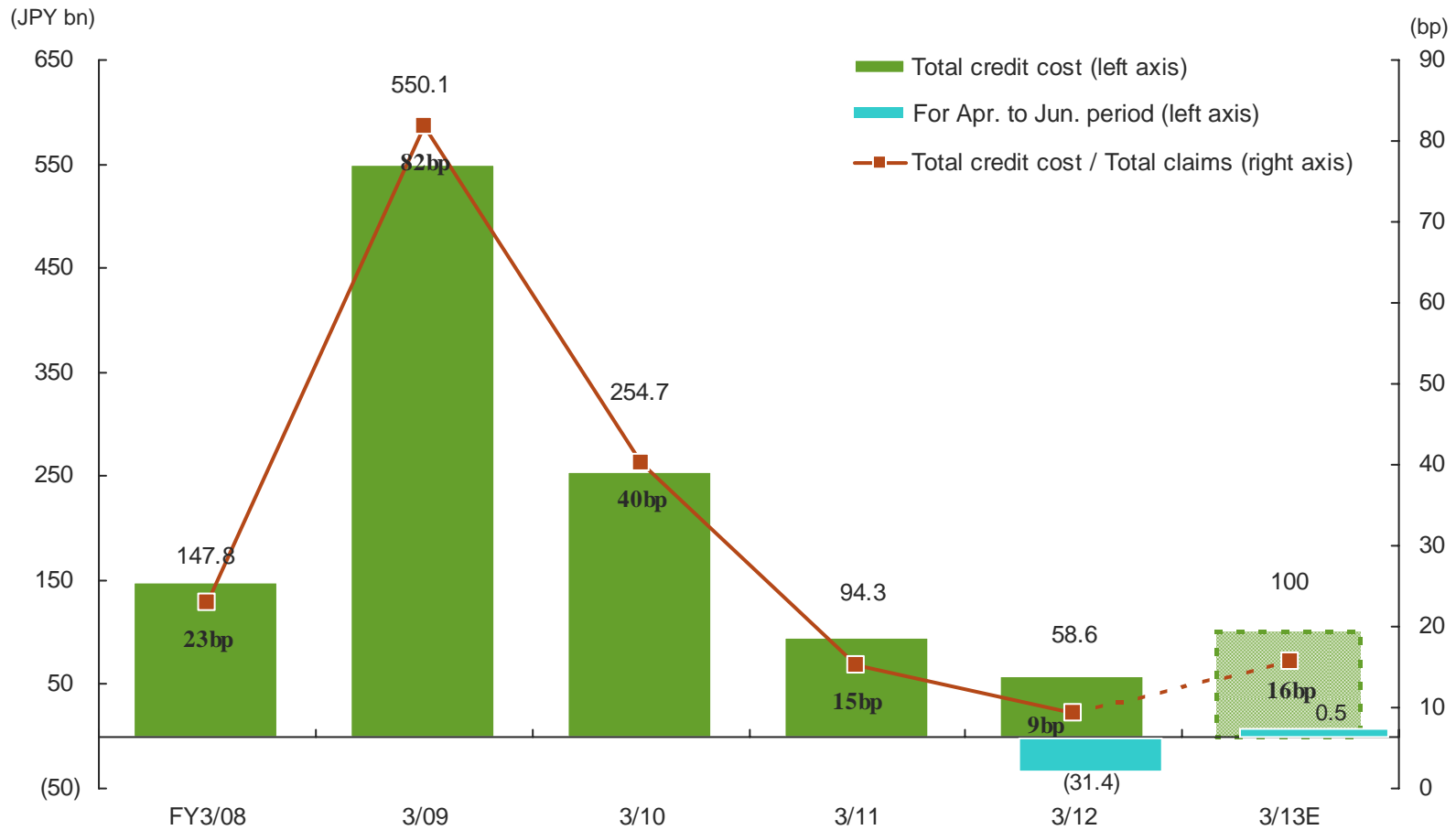
*1 Excluding non-recurring losses

*2 Based on each company's disclosure. Top-line profit (net of insurance claims) divided by G&A expenses (for Japanese banks, excluding non-recurring losses). FY3/2012 results for SMFG, MUFG and Mizuho FG, and FY12/2011 results for others

Credit costs

Total credit cost

(SMBC non-consolidated)



Financial Results of FY3/2012 and 1Q, FY3/2013

		(JPY bn)	FY3/2012 results	Apr.-Jun. 2012 results	YOY change	FY3/2013 forecast
SMBC ◀non-consolidated▶	Gross banking profit		1,532.5	399.3	+9.8	1,470.0
	Gains (losses) on bonds		152.5	79.2	+20.9	
	Expenses*1		719.5	185.6	+2.7	720.0
	<Overhead ratio>*2		46.9%	46.5%	(0.4)%	49.0%
	Banking profit (before provisions)*3		813.0	213.8	+7.1	750.0
	Total credit cost		58.6	0.5	+31.9	100.0
	Gains (losses) on stocks		(15.2)	(69.3)	(37.6)	
	Ordinary profit		695.3	132.4	(61.6)	600.0
	Net income*4		478.0	71.0	(96.4)	380.0
SMFG ◀consolidated▶	Ordinary profit		935.6	237.7	(63.5)	910.0
	Variance with SMBC (non-consolidated)		240.3	105.3	(1.9)	310.0
	Net income*4		518.5	117.8	(88.8)	480.0
	Variance with SMBC (non-consolidated)		40.5	46.8	+7.6	100.0

*1 Excluding non-recurring losses

*2 Expenses divided by gross banking profit

*3 Before provision for general reserve for possible loan losses

*4 The change in the corporate tax rate in FY3/2012 had a negative impact of JPY (22.6) bn on SMBC non-consolidated basis and JPY (39.6) bn on SMFG consolidated basis

■ Highlights

Financial soundness

- Capital
- Asset quality
- Liquidity
- Foreign currency funding

Profitability

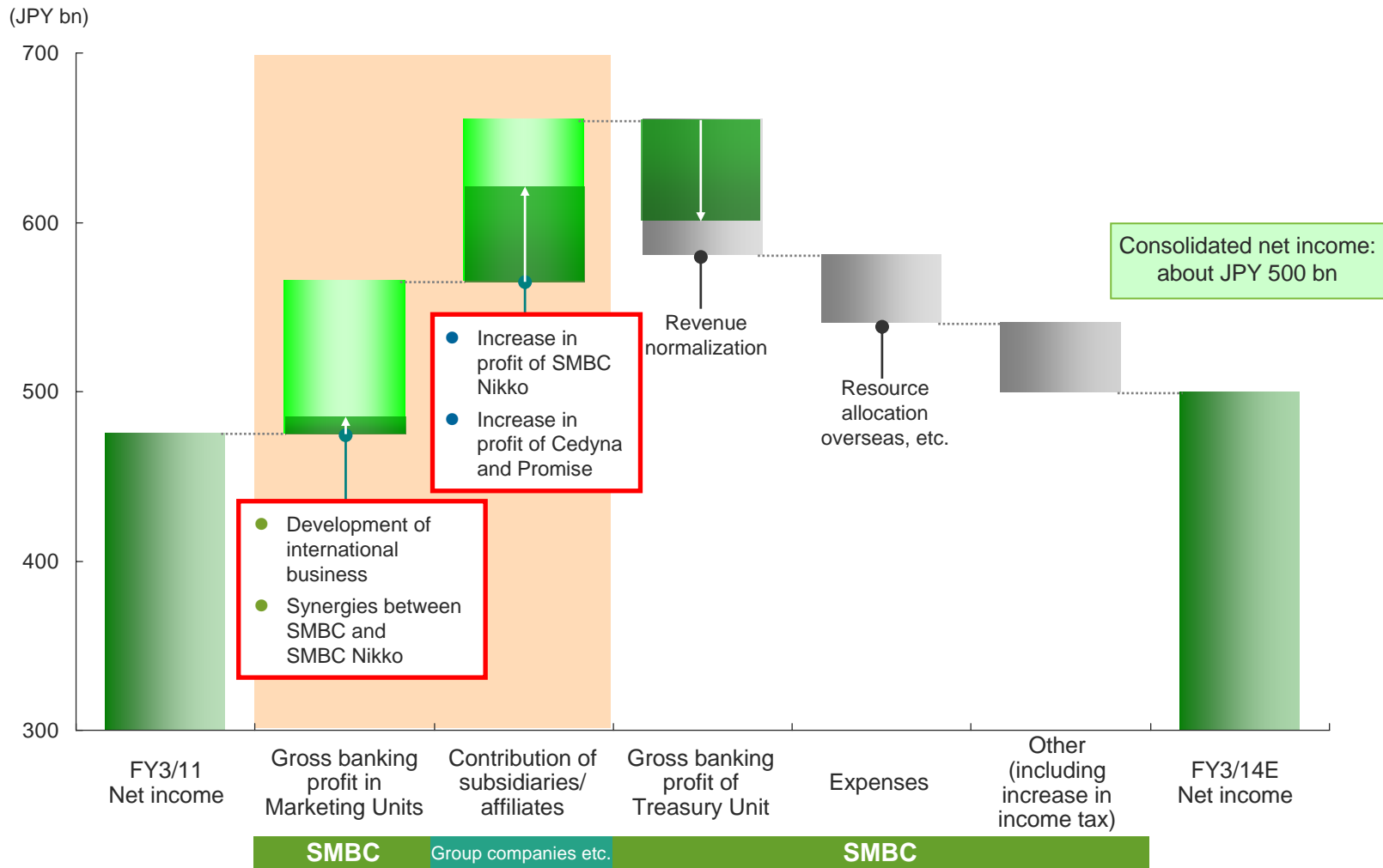
- Productivity
- Loan balance & spread
- Expenses
- Credit costs

Growth

- International business
- Securities business

Profit drivers of the medium-term management plan

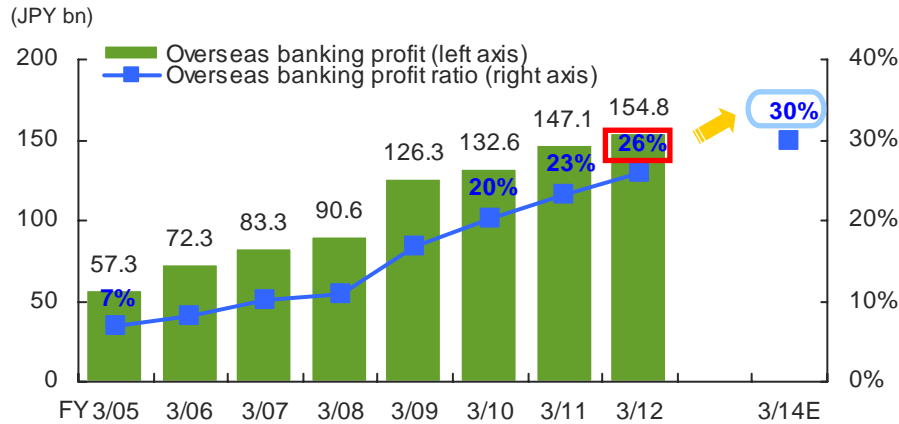
SMFG consolidated net income growth



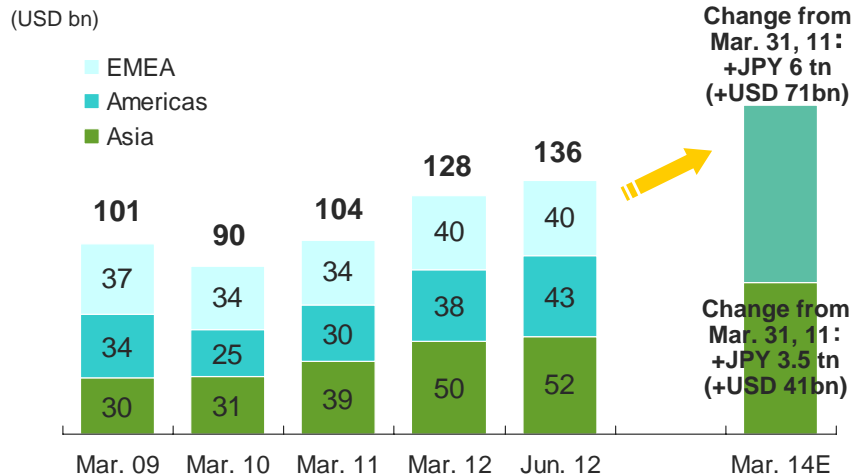
↑ ↓ : Change of FY3/2013 forecast from FY3/2011 results, including change in interest and exchange rates

International business (1)

Overseas banking profit (before provisions) and ratio*1



Overseas loan balance (USD)*2,3



Expansion of international network (since Apr. 2011)

Expansion of network mainly in Asia (No. of channels in emerging markets: Mar. 2011: 24 → Aug. 2012: 31)	Shenzhen Br.*4	Subsidiary bank in Malaysia
	Chongqing Br.*4	New Delhi Rep. Office
	Amsterdam Br.	Istanbul Rep. Office
	Phnom Penh Rep. Office	Bahrain Rep. Office
	Doha QFC Office	Lima Rep. Office
Business alliances with major local banks	New Delhi Branch*5	Yangon Rep. Office
	Banco BTG Pactual (Brazil)	Bank of China (China)
	Scotiabank Inverlat (Mexico)	China Development Bank (China)
Strengthening of marketing functions in Asia Pacific	ACLEDA Bank (Cambodia)	
	Investment Banking Department, Asia	Financial Solution Department, Asia

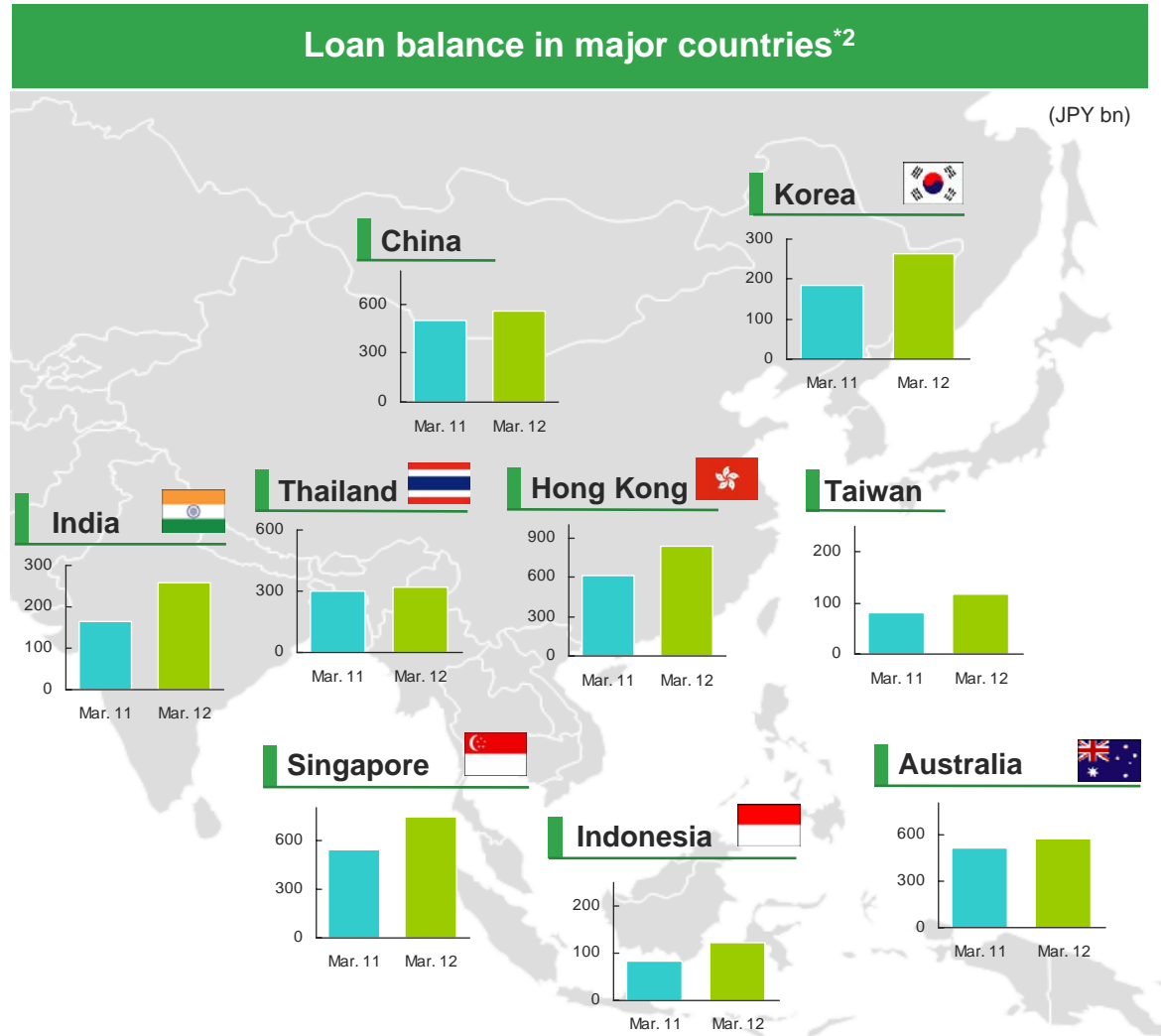
*1 Managerial accounting basis. Sum of SMBC and major overseas banking subsidiaries. Based on the medium-term management plan assumed exchange rate of USD1=JPY85

*2 Managerial accounting basis. Sum of SMBC, SMBC Europe and SMBC (China). Geographic classification based on booking office

*3 Exchanged at respective period-end exchange rates, *4 Branch of SMBC (China), *5 Received approval for preparation for opening

International business (2) - our footprint in Asia

Strategic partners*1	
China	Bank of China Industrial and Commercial Bank of China Agricultural Bank of China
Korea	Kookmin bank
Taiwan	First Commercial Bank
Hong Kong	Bank of East Asia
Philippines	Metrobank
Vietnam	Eximbank
Malaysia	RHB Bank
Indonesia	Bank of Central Asia
Cambodia	ACLEDA Bank
India	Kotak Mahindra Bank



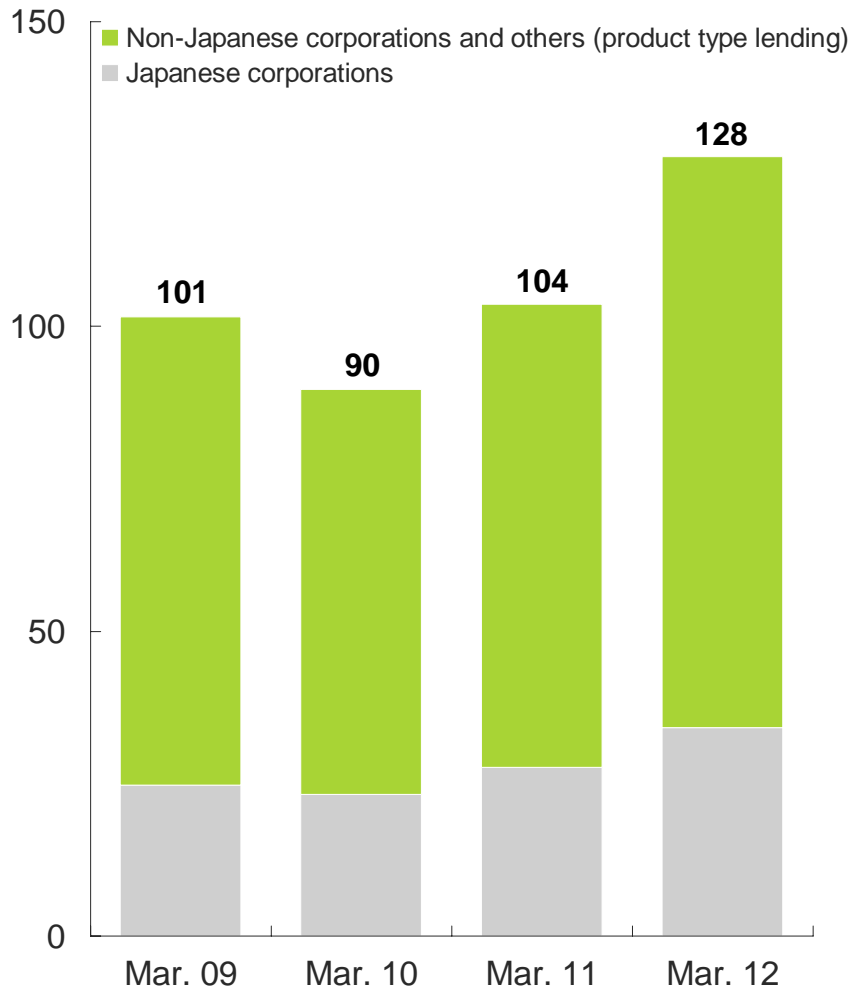
*1 Boldfaced banks: SMBC has equity stake

*2 Bar charts represent loan balance based on domicile of borrowers (not by channel). Figures of China includes those of SMBC (China). Loan balances as of Mar. 31, 2011 is exchanged to JPY from each country's local currency at the exchange rate of Mar. 31, 2012

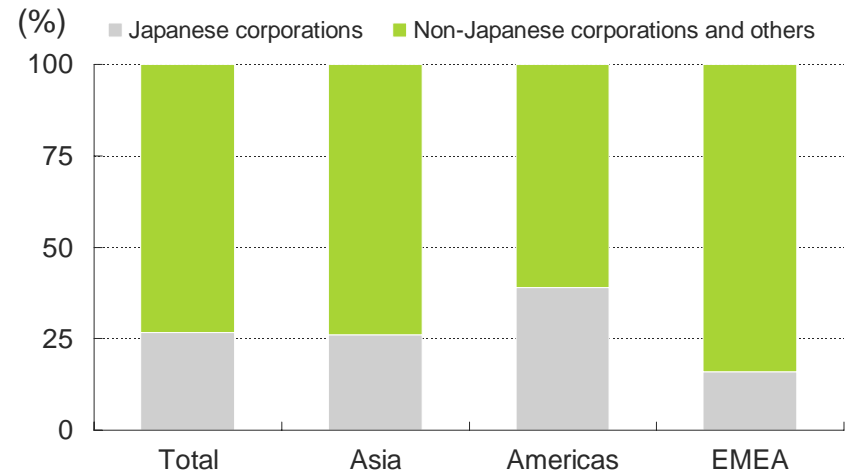
International business (3) - overseas loan balance classified by borrower type*

Total

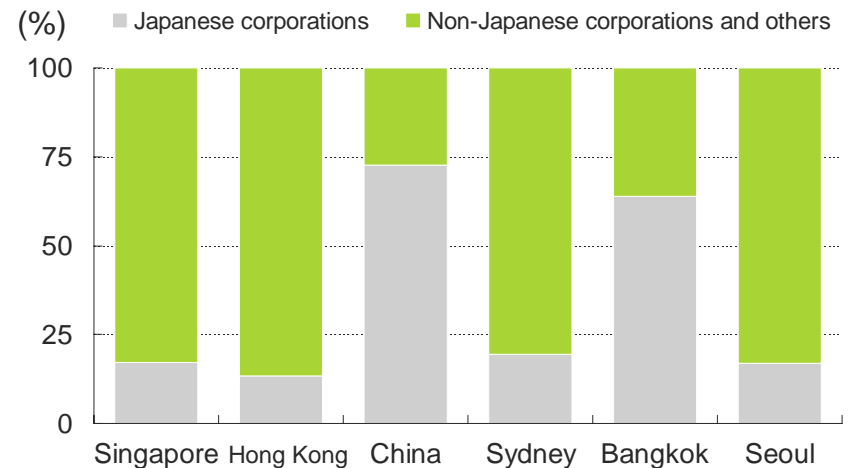
(USD bn)



By region as of Mar. 12



Major countries in Asia as of Mar. 12



* Managerial accounting basis. Sum of SMBC, SMBC Europe and SMBC (China). Geographic classification based on booking office

International business (4) - alliance & acquisition strategy

Investment criteria

- 1 Fits our Group strategy and associated risks are controllable
- 2 Delivers sufficient investment returns; achieves 0.8% Net income RORA
- 3 Contributes to strengthen our client service
- 4 Foreign currency funding is secured to accommodate the deal

Example Acquisition of aircraft leasing business from The RBS group

Overview of the acquired company

- Completed the acquisition on June 1, 2012. Commenced its operation as SMBC Aviation Capital
- Acquisition price: approx. USD 7.3 billion*1
Shareholders: SMFL 60%, SMBC 30%, Sumitomo Corporation 10%
- SMBC Aviation Capital refinanced USD 3.0 billion of its existing borrowings through The Japan Bank for International Cooperation
- Five management members of former RBS Aviation Capital continue to manage the business. The board of directors consists of 11 directors, of which six from shareholders

Ranking after acquisition*2

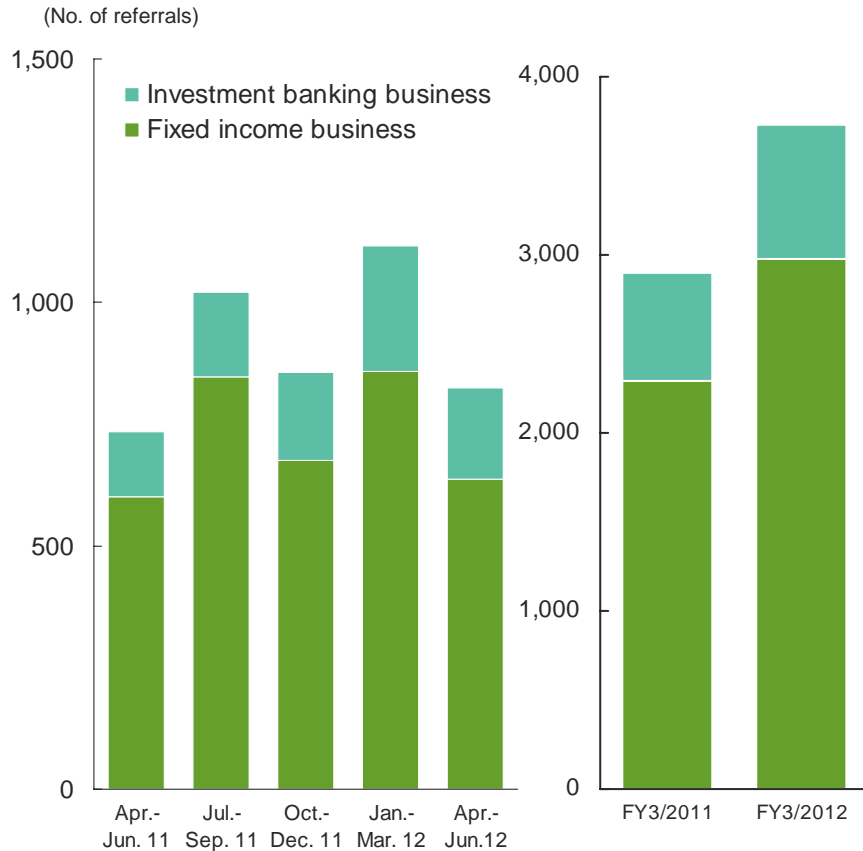
	Leasing Company	Nationality	No. of Aircrafts
1	GECAS	U.S.	1,755
2	ILFC	U.S.	1,031
	former RBS AC + SMFG/SC Group*3		335
3	BBAM	U.S.	327
4	AerCap	Netherlands	326
5	CIT Aerospace	U.S.	263
6	former RBS AC	Ireland	246
17	SMFG/SC Group*3	Netherlands	89

*1 The figure will be adjusted based on the assets and liabilities of the acquired business as of May 31, 2012 *2 As of Dec 31, 2011 (Source: Ascend)

*3 Aggregate of 1) SMFL Aircraft Capital Corporation B.V., a subsidiary of Sumitomo Mitsui Finance and Leasing, and 2) Sumisho Aircraft Asset Management B.V., a subsidiary of Sumitomo Corporation

Securities business (1) - promoting cross-selling

No. of referrals from SMBC to SMBC Nikko



League tables (Apr.-Jun. 2012, ranks of SMBC Nikko)

	Rank	Mkt share
Global equity & equity-related (book runner, underwriting amount) ^{*1}	#5	5.7%
JPY denominated bonds (lead manager, underwriting amount) ^{*2}	#5	6.4%
Financial advisor (M&A, transaction volume) ^{*3}	#5	33.0%
Financial advisor (M&A, No. of deals) ^{*3}	#5	2.0%

*1 Source: SMBC Nikko, based on data from Thomson Reuters. Relating to Japanese corporations' activities only

*2 Source: SMBC Nikko. Consisting of corporate bonds, FILP agency bonds, municipality bonds, and samurai bonds

*3 Source: Thomson Reuters. Relating to Japanese corporations' activities only. Excluding real estate deals

Securities business (2)

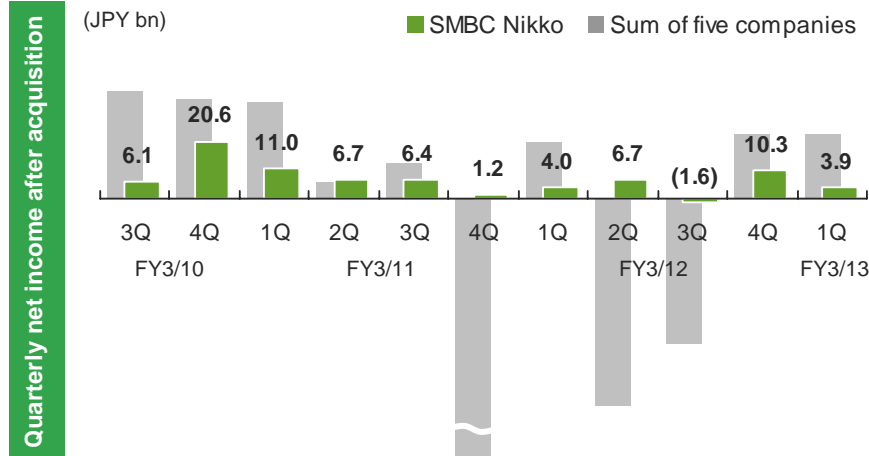
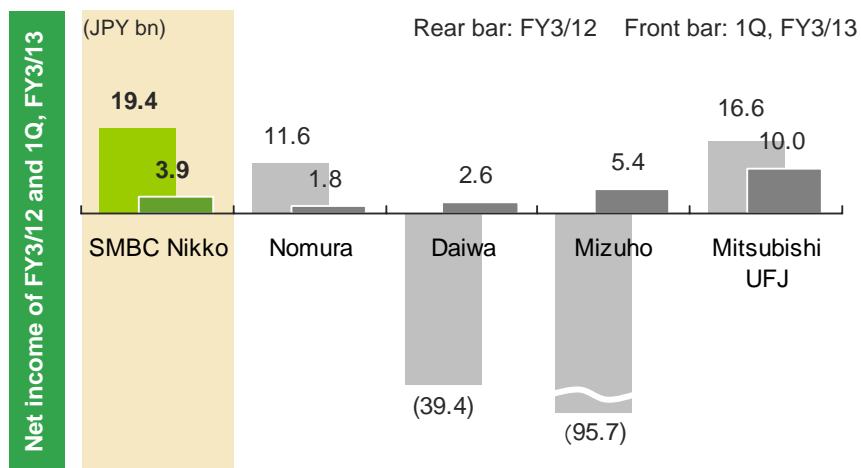
SMBC Nikko's financial performance on a consolidated basis

(JPY bn)	FY3/2012	Apr.-Jun. 2012	YOY change
Net operating revenue	228.8	55.2	(0.3)
SG&A expenses	185.1	45.8	+0.1
Ordinary profit	44.5	9.8	(0.3)
Net income ^{*1}	19.4	3.9	(0.1)

Topics in 1Q, FY3/13

- SMBC Nikko sold 35% of the total issued amount of JGB Reconstruction Bonds / Reconstruction Supporters' Bonds to retail investors in the Jul. 2012 issue (amount sold in June: JPY 180.7 bn)
- Nikko JF Asia Discovery Fund became the largest domestic investment trust launched since Sep. 2008 measured by launch amount (JPY 131.3 bn)

Peer comparison^{*2}



^{*1} of which JPY(4.8) bn resulted from changes in the corporate tax rate in FY3/2012

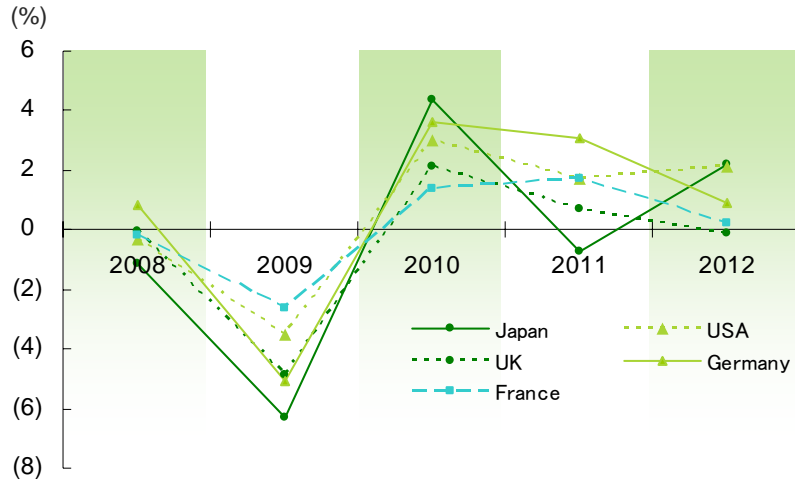
^{*2} Based on each companies' financial statements. The figures shown in the charts above are: consolidated figures of Nomura Holdings (US GAAP, Net income attributable to Nomura Holdings shareholders) for Nomura, consolidated figures of Daiwa Securities Group for Daiwa, consolidated figures of Mizuho Securities for Mizuho, and consolidated figures of Mitsubishi UFJ Securities Holdings for Mitsubishi UFJ



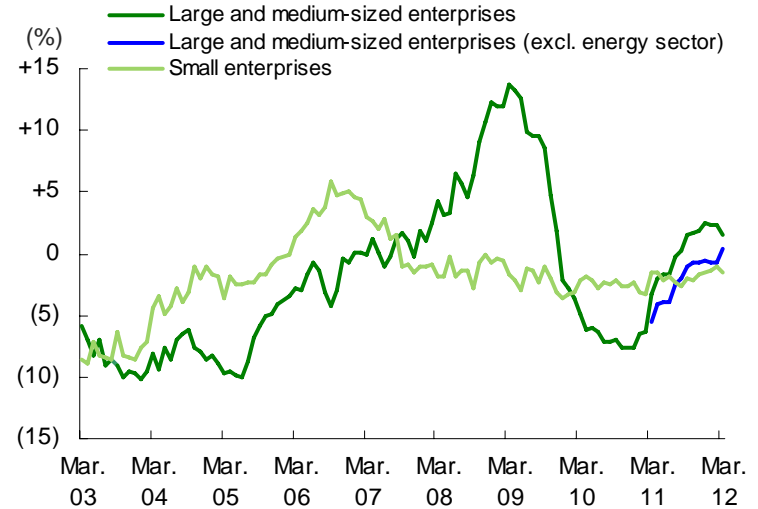
Appendix

Macro data (1)

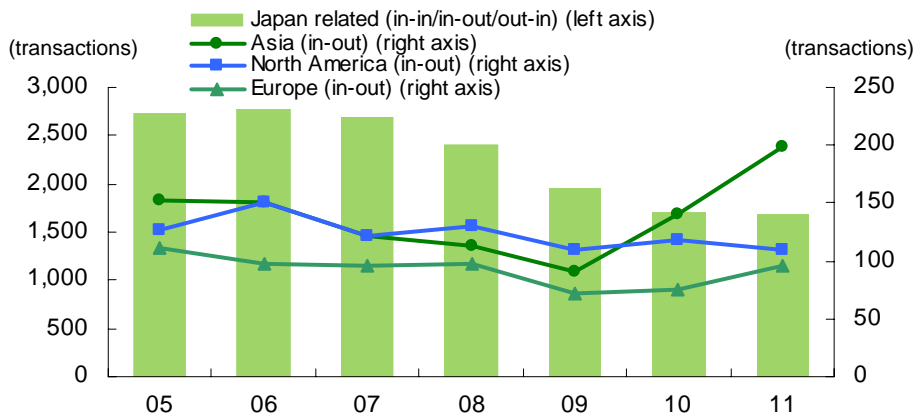
Real GDP growth rate*1



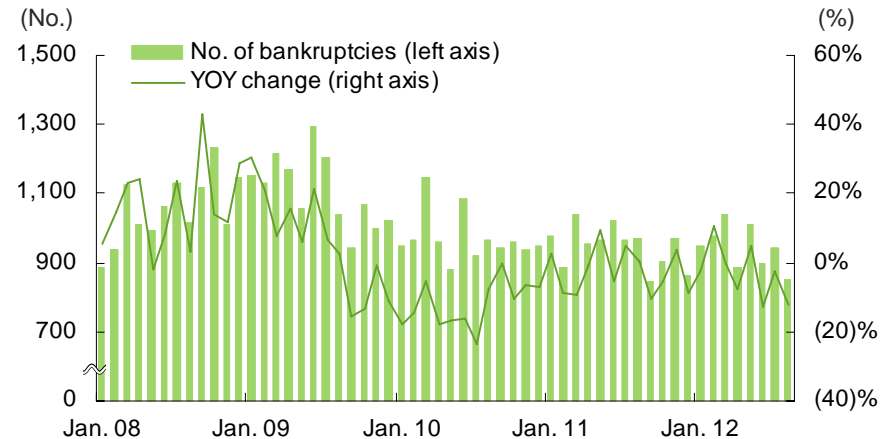
Domestic corporate loans*3 (YoY % change in loan balance)



No. of M&A deals*2



Corporate bankruptcies in Japan*4

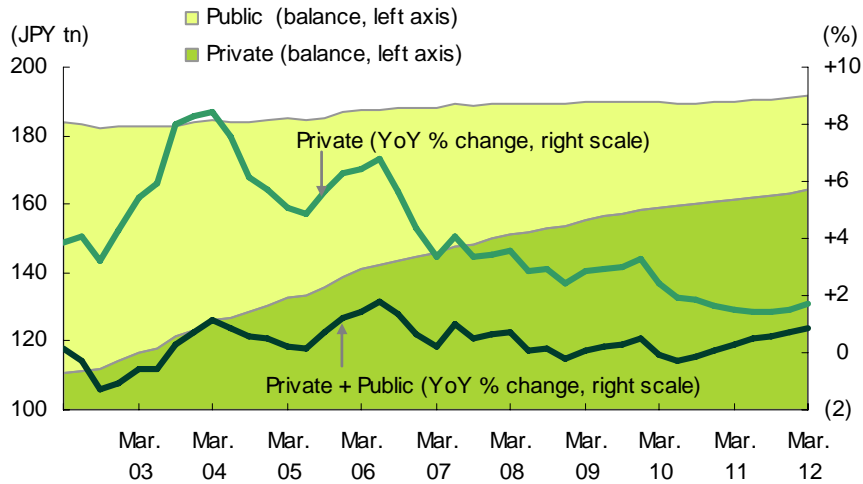


*1 Figures before 2011 are actual by IMF World Economic Outlook as of April 2012. Figures for 2012 are estimates by the Japan Research Institute

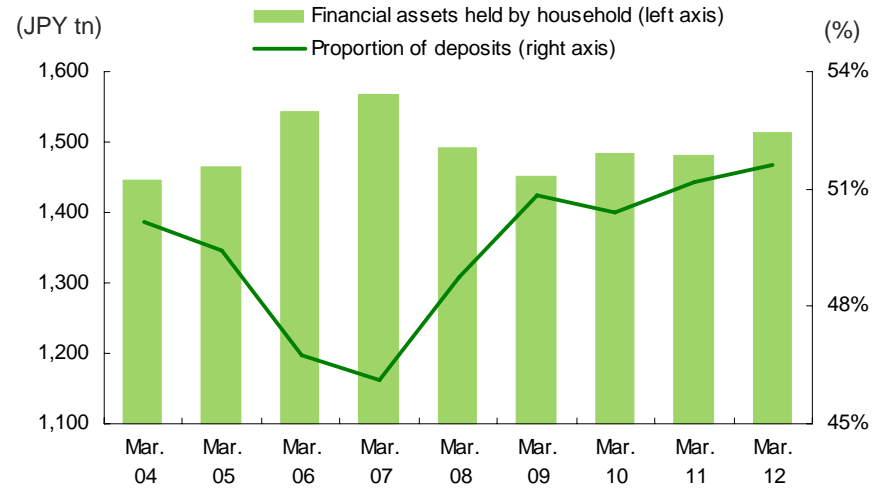
*2 Source:Recof *3 Source:Bank of Japan "Loans and bills discounted by sector" *4 Source: Teikoku Databank

Macro data (2)

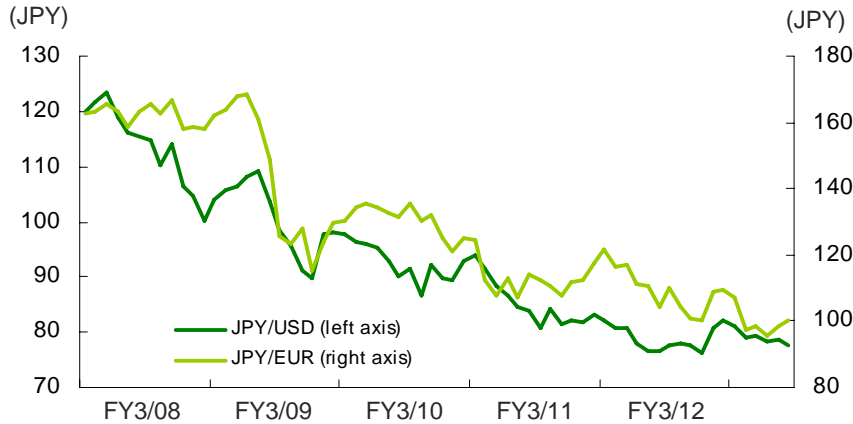
Housing loans*1



Financial assets held by household*1,2



Exchange rate (month-end)



Nikkei stock average (month-end)

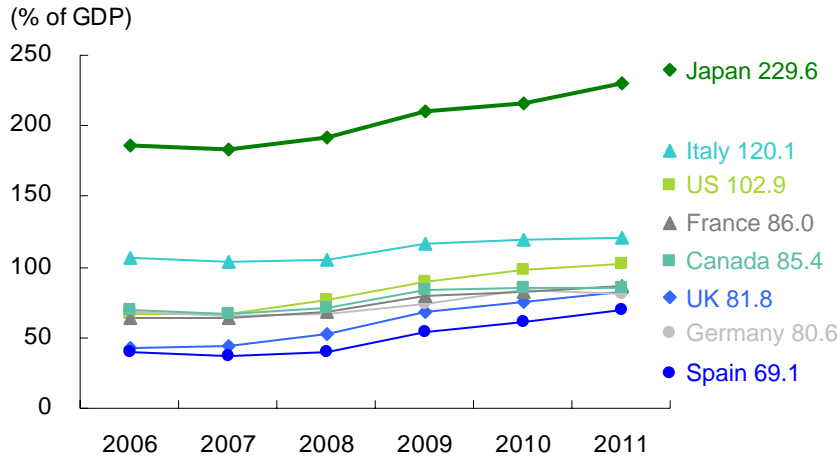


*1 Source: Bank of Japan "Flow of Funds"

*2 Deposits does not include CDs and foreign currency deposits

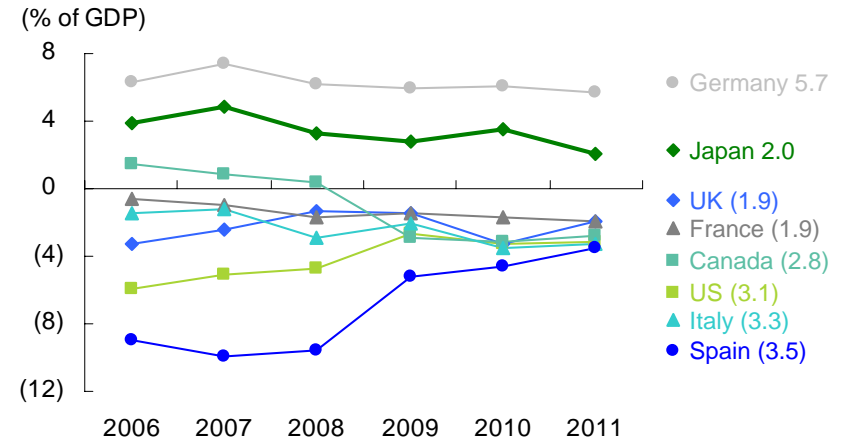
Fiscal condition of major nations

General government gross debt



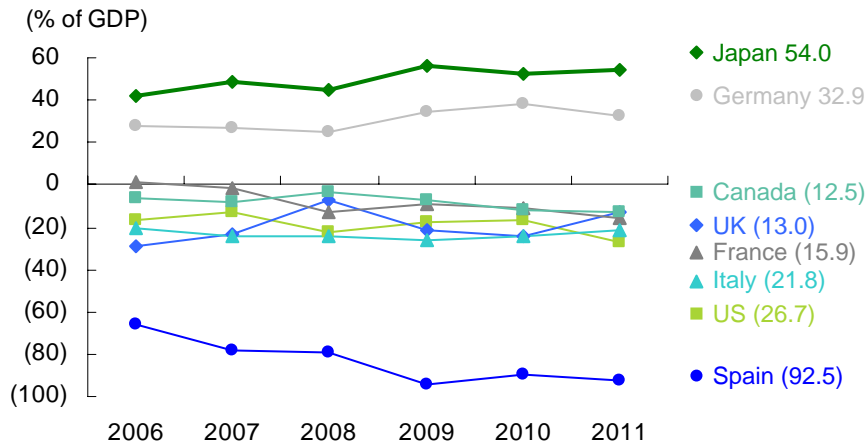
* Applied estimated figures of 2011 for Japan, the US, France and the UK
 Source: IMF "World Economic Outlook, October 2012"

Current account balance



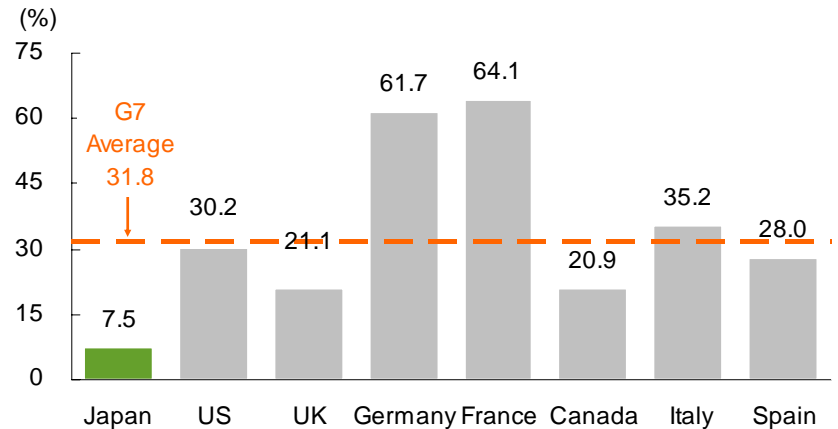
Source: IMF "World Economic Outlook, October 2012"

Net international investment position



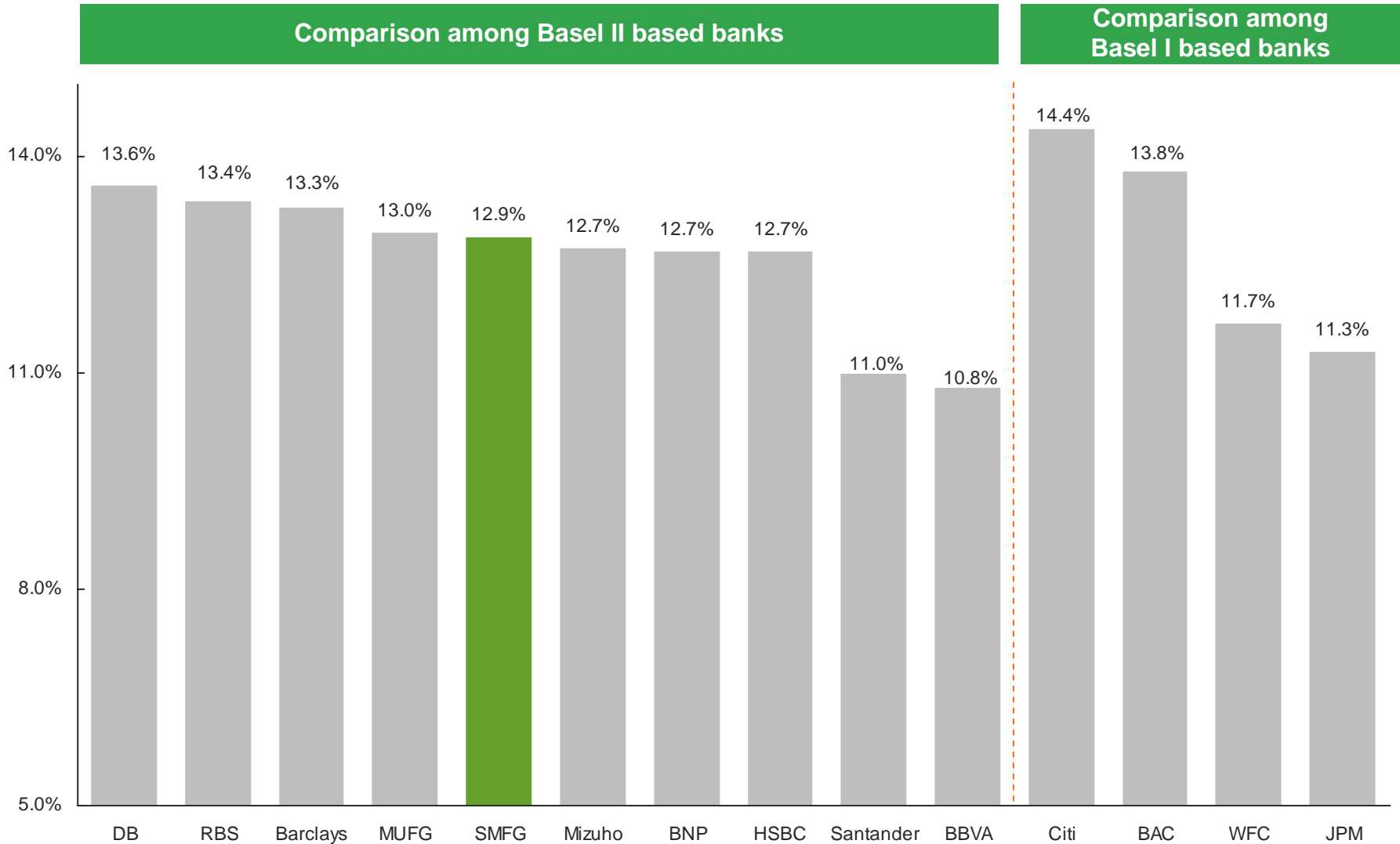
Source: IMF.Stat

Non-resident holding of general government debt, 2012



Source: IMF "October 2012 Fiscal Monitor"

Tier I ratio comparison



* Based on each company's financial disclosure, as of Jun. 30, 2012

Trend of bottom line profits

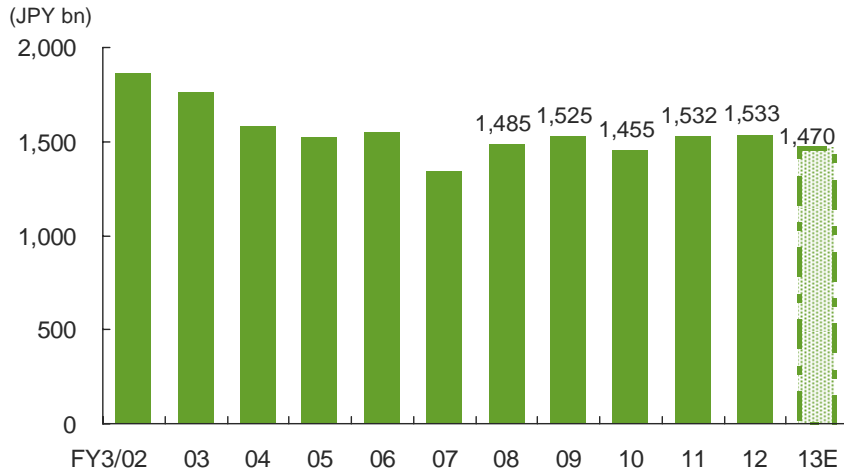
SMBC's non-consolidated net income



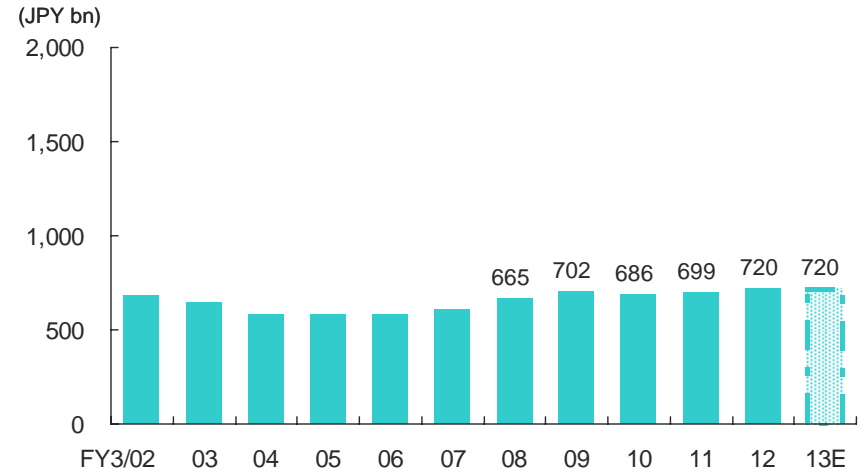
Trend of major income components

(SMBC non-consolidated)

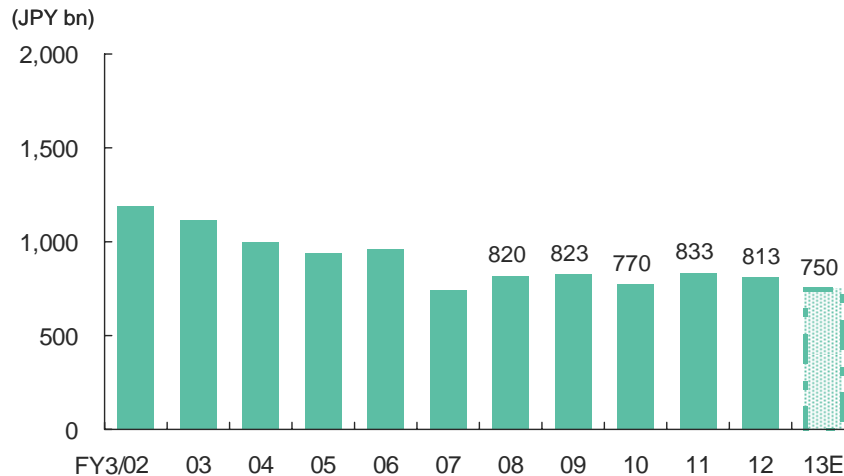
Gross banking profit



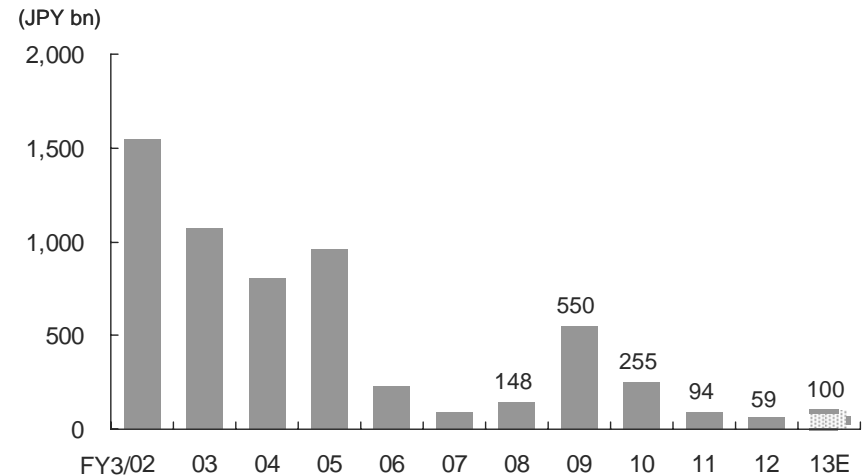
Expenses



Banking profit (before provisions)



Total credit cost



Capital and risk-weighted assets

(JPY bn)	Mar. 31, 11	Mar. 31, 12	Jun. 30, 12
Tier I	6,324.0	6,272.3	6,403.4
Capital stock & capital surplus	3,316.7	3,097.7	
Preferred stock	210.0	-	
Retained earnings	1,702.8	2,084.4	
Preferred securities issued by overseas SPCs	1,593.6	1,588.9	
Foreign currency translation adjustment	(122.9)	(141.4)	
Increase in equity capital resulting from securitization exposure	(36.3)	(38.3)	
Tier II	2,537.0	2,771.1	2,559.2
Unrealized gains on other securities after 55% discount	169.3	214.6	
General reserve for loan losses	100.0	66.7	
Perpetual subordinated debt	243.0	149.2	
Dated subordinated debt	1,967.2	2,304.9	
Deduction	(428.1)	(399.6)	(393.7)
Total capital	8,432.9	8,643.8	8,568.9
Risk-weighted assets	50,693.7	51,043.2	49,637.6
Capital ratio	16.63 %	16.93 %	17.26%
Tier I ratio	12.47 %	12.28 %	12.90%
Core Tier I ratio (pro forma)			
Basel III fully loaded basis	above 6 %	nearly 7.5 %	
Basel III initial implementation basis	above 8 %	above 9 %	
Net deferred tax assets	624.2	350.2	

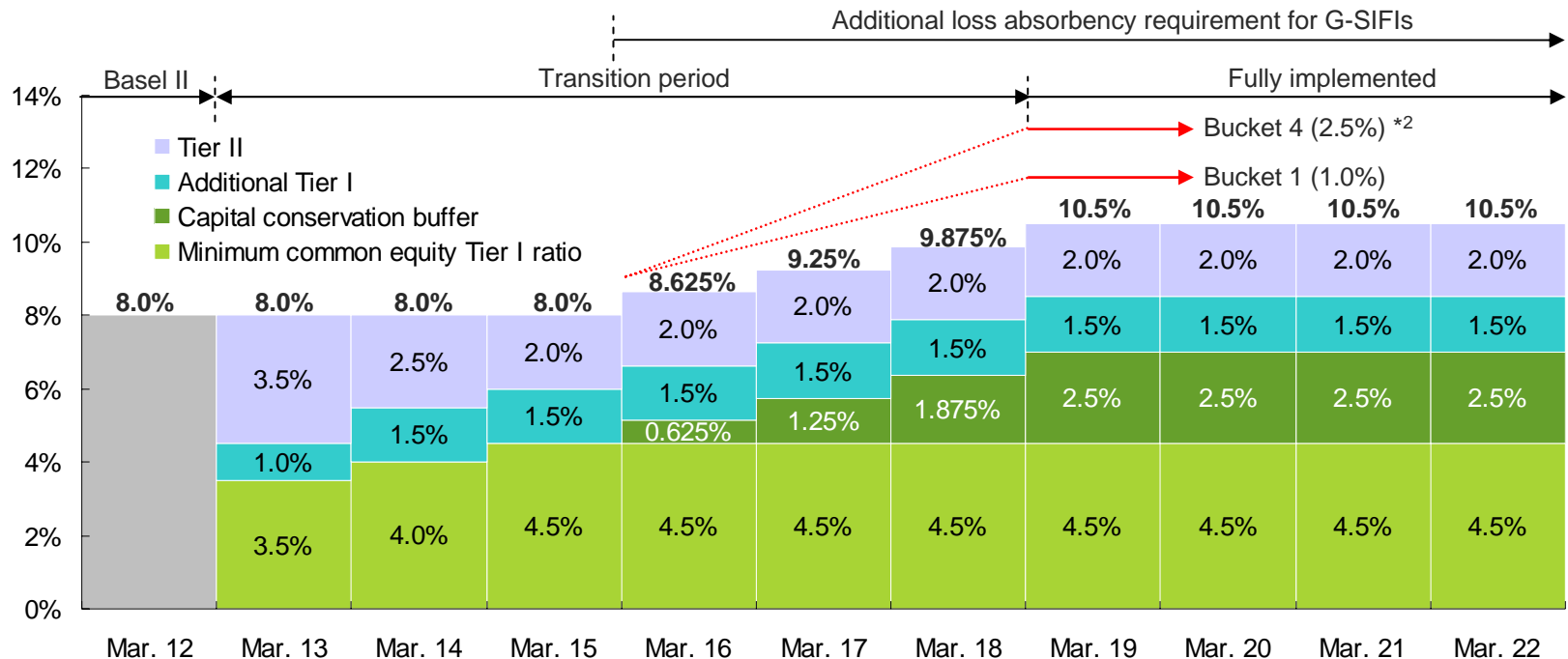
* Calculation for Core Tier I ratio (Common Equity Tier I ratio) based on Basel III standards. Other calculations based on Basel II standards (Credit risk: AIRB, Operational risk: AMA)

(SMFG consolidated)

Summary of regulatory capital framework

In March 2012, the Japanese FSA amended requirements regarding bank capital*1

- Basically consistent with Basel III text
- Effective from the end of March 2013 to conform with the fiscal year end of Japanese banks



Phase-in of deductions*3

Grandfathering of capital instruments

Phase-in of deductions*3	-	20%	40%	60%	80%	100%	100%	100%	100%	100%
Grandfathering of capital instruments	90%	80%	70%	60%	50%	40%	30%	20%	10%	-

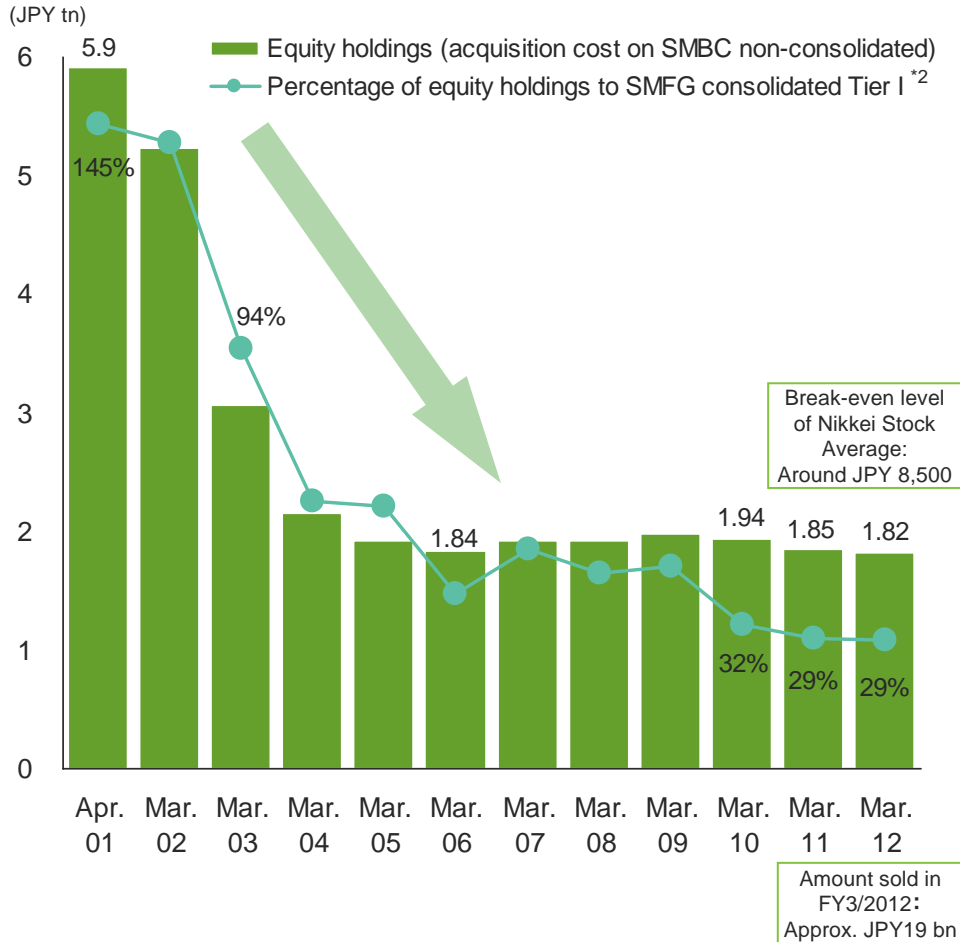
*1 Drafts of other rules that are to be implemented after 2014, such as rules on capital buffers and liquidity standards, will be published at a later stage

*2 With an empty bucket of 3.5% to discourage further systemicness

*3 Including amounts exceeding the limit for deferred tax assets, mortgage servicing rights and investment in capital instruments of unconsolidated financial institutions

Equity holdings

Balance of equity holdings*1



Changes in the environment

- **Tightening of capital regulations**

Need to minimize the impact of stock price fluctuation on our capital base

Reduce un-hedged equity to 25% of Tier I capital

*1 Balance of domestic stocks classified as other securities with fair value *2 Until Mar. 02, percentage to SMBC consolidated Tier I

Obligor grading system

Obligor grade		Definition	Borrower category
Domestic (C&I*), etc.	Overseas (C&I*), etc.		
J1	G1	Very high certainty of debt repayment	Normal borrowers
J2	G2	High certainty of debt repayment	
J3	G3	Satisfactory certainty of debt repayment	
J4	G4	Debt repayment is likely but this could change in cases of significant changes in economic trends or business environment	
J5	G5	No problem with debt repayment over the short term, but not satisfactory over the mid to long term and the situation could change in cases of significant changes in economic trends or business environment	
J6	G6	Currently no problem with debt repayment, but there are unstable business and financial factors that could lead to debt repayment problems	
J7	G7	Close monitoring is required due to problems in meeting loan terms and conditions, sluggish/unstable business, or financial problems	Borrowers requiring caution
J7R	G7R	(Of which substandard borrowers)	Substandard borrowers
J8	G8	Currently not bankrupt, but experiencing business difficulties, making insufficient progress in restructuring, and highly likely to go bankrupt	Potentially bankrupt borrowers
J9	G9	Though not yet legally or formally bankrupt, has serious business difficulties and rehabilitation is unlikely; thus, effectively bankrupt	Effectively bankrupt borrowers
J10	G10	Legally or formally bankrupt	Bankrupt borrowers

* Commercial/Industrial

Performance by business unit *1

		(JPY bn)	FY3/2011	FY3/2012	YOY change*2
Consumer Banking Unit	Gross banking profit		387.8	383.7	(5.5)
	Expenses		290.3	289.5	(0.9)
	Banking profit (before provisions)		97.5	94.2	(4.6)
Middle Market Banking Unit	Gross banking profit		443.9	422.9	(18.2)
	Expenses		221.7	222.8	+ 0.2
	Banking profit (before provisions)		222.2	200.1	(18.4)
Corporate Banking Unit	Gross banking profit		201.3	212.6	+ 8.0
	Expenses		36.0	38.2	+ 1.5
	Banking profit (before provisions)		165.3	174.4	+ 6.5
International Banking Unit (IBU)	Gross banking profit		186.5	197.4	+ 27.4
	Expenses		57.9	64.9	+ 9.8
	Banking profit (before provisions)		128.6	132.5	+ 17.6
Marketing Units	Gross banking profit		1,219.5	1,216.6	+ 11.7
	Expenses		605.9	615.4	+ 10.6
	Banking profit (before provisions)		613.6	601.2	+ 1.1
Treasury Unit	Gross banking profit		330.7	319.3	(11.4)
	Expenses		17.9	19.2	+ 1.3
	Banking profit (before provisions)		312.8	300.1	(12.7)
Headquarters	Gross banking profit		18.4	3.4	+ 0.4
	Expenses		75.4	84.9	+ 8.4
	Banking profit (before provisions)		93.8	88.3	(8.0)
Total (Business Units)	Gross banking profit		1,531.8	1,532.5	+ 0.7
	Expenses		699.2	719.5	+ 20.3
	Banking profit (before provisions)		832.6	813.0	(19.6)

*1 Managerial accounting basis *2 After adjustment of interest rates and exchange rates, etc.

Overview of the medium-term management plan

Announced May 2011

Basic policy

To be a globally competitive and trusted financial services group by maximizing our strengths of spirit of innovation, speed and solution & execution

Management plan for coming three years

Strongly support Japan's reconstruction on the financial front

New medium-term management plan (FY3/12–FY3/14)

Management targets

- ✓ Aim for top quality in strategic business areas
- ✓ Establish a solid financial base and corporate infrastructure to meet the challenges of financial regulations and highly competitive environment

Financial objectives

Steadily improve financial soundness, profitability and growth in a balanced way

- Achieve sufficient Core Tier I ratio as required for a global player
- Enhance risk-return profile by improving asset quality
- Aim for top-level cost efficiency among global players
- Expand overseas business especially in Asia by capturing growing business opportunities

FY3/14 targets	Core Tier I ratio	approx. 8%
	Consolidated net income RORA	approx. 0.8%
	Consolidated overhead ratio	50-55%
	Overhead ratio	45-50%
	Overseas pre-provision profit ratio	approx. 30%

Key initiatives to achieve management and financial targets

Strategic initiatives

Strategic business areas

- Financial consulting for retail customers
- Tailor-made solutions for corporate clients
- Commercial banking in emerging markets, especially Asia
- Broker-dealer/ Investment banking
- Non-asset business (payment & settlement services and asset management)

Corporate base

- Extend best practice in management throughout the SMFG group
- Develop corporate infrastructure to support growing international network
- Maximize operational efficiency

Progress of the medium-term management plan

Core Tier I ratio (pro-forma)	Mar. 11	Mar. 12	Mar. 14 Target
Basel III fully loaded basis	above 6%	nearly 7.5%	8%
Basel III initial implementation basis	above 8%	above 9%	

	FY3/2011	FY3/2012	FY3/2014 Target
Net income RORA (SMFG consolidated)	0.8%	0.9%	0.8%
Overhead ratio (SMFG consolidated)	52.5%	53.5%	50% - 55%
Overhead ratio (SMBC non-consolidated)	45.6%	46.9%	45% - 50%
Overseas banking profit ratio*	23.3%	26.0%	30%

* Based on the medium-term management plan assumed exchange rate of USD1=JPY85 for FY3/2012 to FY3/2014

Products with a competitive advantage (1)

Project finance / Loan syndication

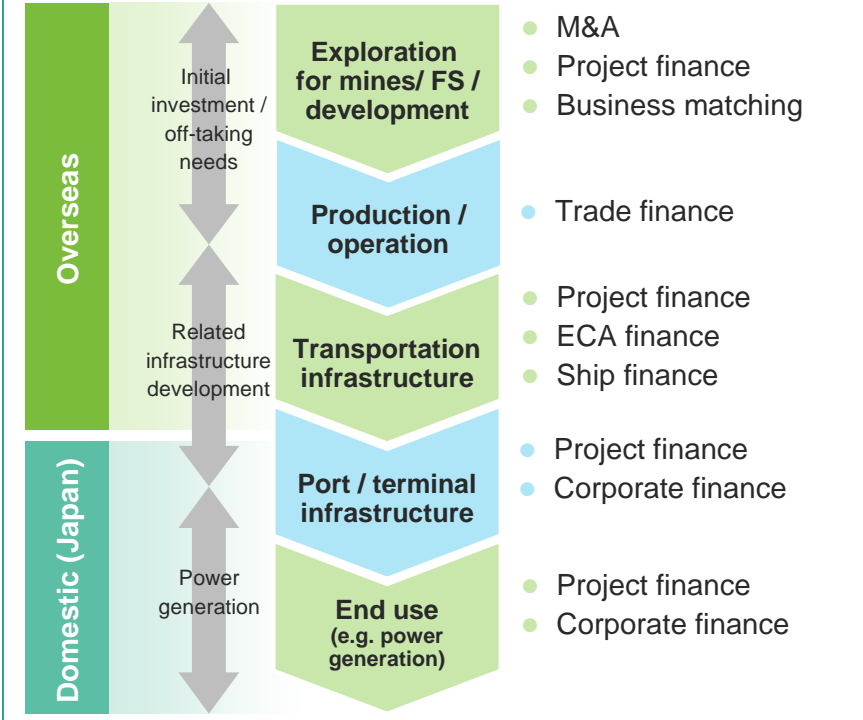
League tables (Jan. – Jun. 2012)*1

	Global	Asia*2
Project Finance	#3	#5
Loan Syndication	#7	#6

Growth Industry Cluster Dept.

New energy sources	Renewable energy
Water	Water supply and sewerage, recycled water, desalination, etc.
Environment	Eco-city development, transportation system, rechargeable battery, etc.
Natural resources	Value chain of coal, natural gas, etc.
Carbon credit	Global warming related business
Frontier	Newly growing businesses / markets

Example Approaches for energy related business



- Relationship management , financing
- Consulting
- M&A advisory, equity / bond underwriting
- Finance lease, operating lease

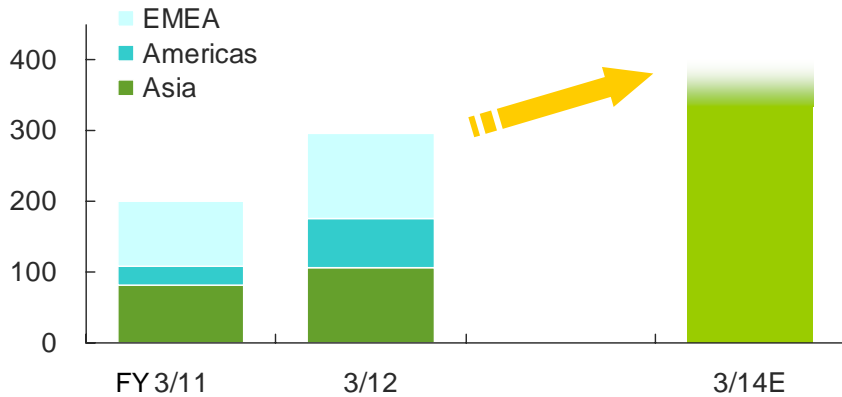
*1 Source: Thomson Reuters (Mandated Arrangers) *2 Project finance: Asia Pacific, Loan syndication: Asia (excl. Japan)

Products with a competitive advantage (2)

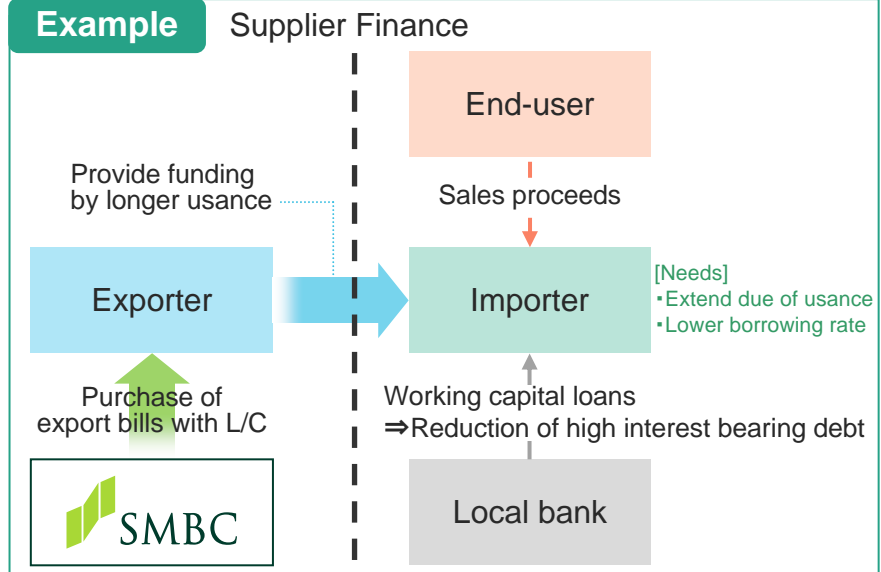
Trade finance

Trade finance related profit

(USD mn)



- Balance of trade finance as of Mar. 12: USD 17.5 bn
- FY3/12 ROA (managerial accounting basis): 1.6%
- No. of channels : 22 (Mar. 12) ⇒ plan 30 (Mar. 14)
EMEA 8, Americas 2, Asia (incl. Tokyo) 12
- Global Trade Finance Dept. provides trade finance for financial institutions, commodity finance, etc.



Cash management service

Cash management providers' ranking (in Asia Pacific)*

Cash management service (CMS) as voted by corporations	Large corporations	4th	#1 among Japanese banks for seven consecutive years
	Medium corporations	4th	
	Small corporations	4th	
JPY CMS as voted by financial institutions		1st	#1 for seven consecutive years

CMS in Asia: Aim to be one of the top three global banks

* Source: "ASIAMONEY": "Cash Management Poll 2012" issued in Aug. 2012

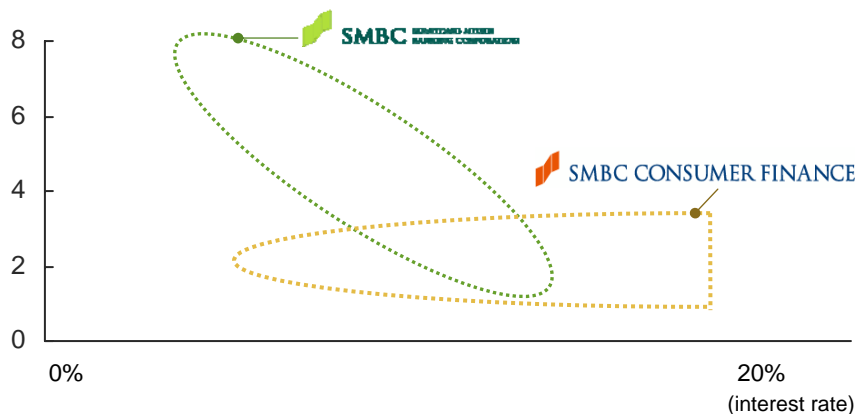
Consumer finance - a stable and relatively high margin business

Reorganization of SMFG's consumer finance business

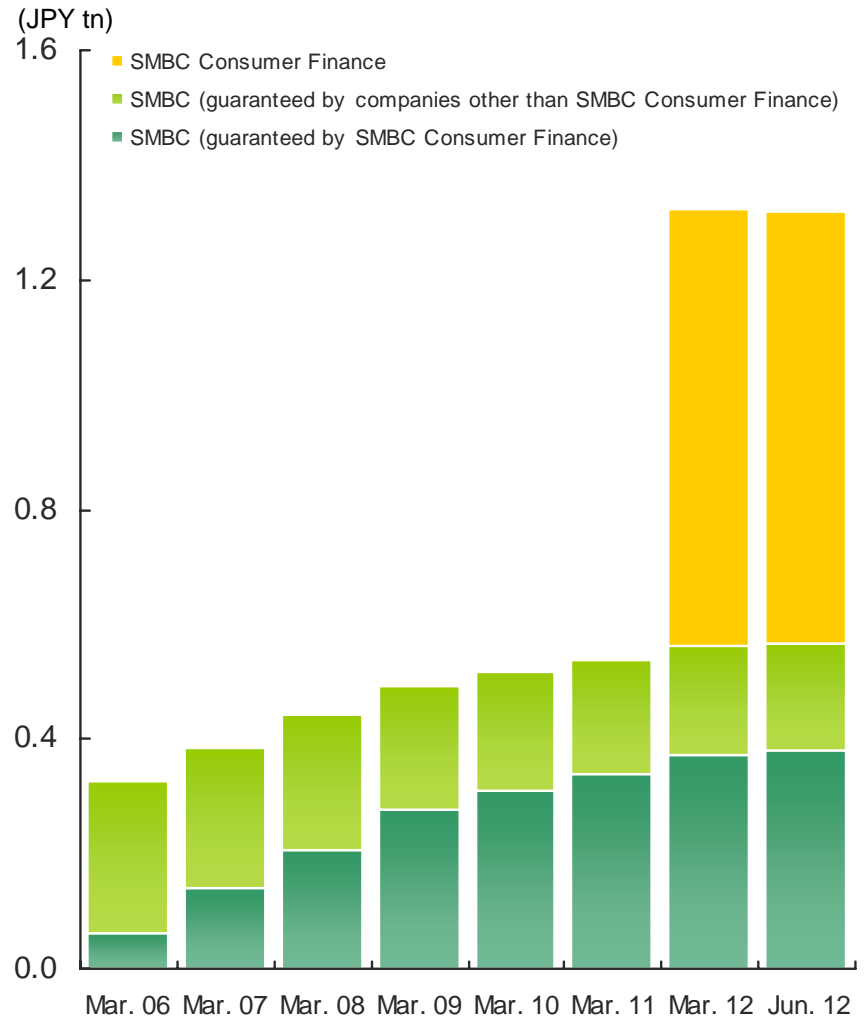
- SMFG made Promise a wholly owned subsidiary in Apr.2012. Former Promise was renamed SMBC Consumer Finance in Jul. 2012
 - We aim to increase managerial flexibility and strengthen cooperation among group companies
- SMBC sold its share in ORIX Credit to ORIX in Jun. 2012
 - We aim to concentrate resources into SMBC and SMBC Consumer Finance
- In Sep. 2012, SMBC Consumer Finance entered into a basic agreement with Bank of Tokyo-Mitsubishi UFJ to dissolve the Mobit Co., Ltd. joint venture in the second half of fiscal 2013

Overview of SMFG's consumer finance business

(Clients' borrowing limit, JPY mn)



Outstanding card loan balance of major Group companies



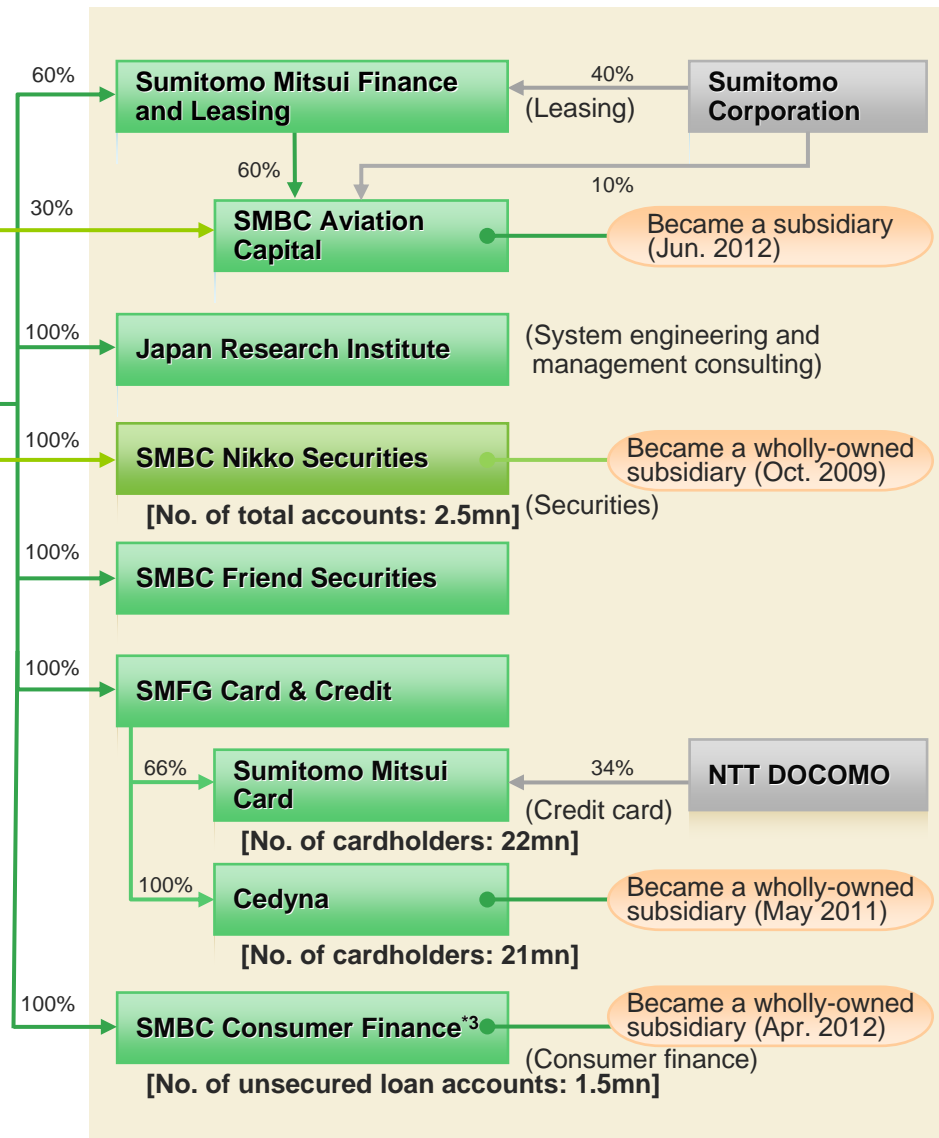
Group structure*1



Sumitomo Mitsui Financial Group	
Consolidated total assets	JPY 143 tn
Consolidated Tier I ratio	12.28%



Sumitomo Mitsui Banking Corporation	
Assets	JPY 119 tn
Deposits*2	JPY 76 tn
Loans	JPY 56 tn
No. of retail accounts	27 mn
No. of corporate loan clients	110,000



*1 As of June 30, 2012 for percentage of voting rights and as of March 31, 2012 for other figures *2 Excluding negotiable certificates of deposit

*3 Renamed to SMBC Consumer Finance from Promise on July 1, 2012

