

Fixed Income Investor Presentation

January 2015

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*1

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-SIBs

Market capitalization (TSE:8316 NYSE:SMFG)	JPY 6.2 tn / USD 51.3 bn (As of Dec. 30, 2014)
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Total assets	JPY 172 tn / USD 1,571 bn
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Common Equity Tier 1 ratio (Basel III fully-loaded basis)	10.7 %
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(As of Sep. 30, 2014 except for market capitalization)
(Consolidated)

SMBC's business franchise

- Core operating entity within the SMFG franchise
- Heritage dating back more than 400 years
- **28 million** retail customer deposit accounts
- **94 thousand** domestic corporate loan clients
- **439** domestic branches
- **Approx. 70** overseas franchises*3

Ratings (Moody's / S&P)*4	A1 / A+ (As of Dec. 30, 2014)
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(As of Sep. 30, 2014 expect for ratings)

SMBC's asset quality and liquidity

(As of Sep. 30, 2014)
(Non-consolidated)

Total assets	JPY 144 tn / USD 1,316 bn
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Loans	JPY 66 tn / USD 601 bn
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Yen bonds*2	JPY 15 tn / USD 133 bn
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Deposits	JPY 100 tn / USD 918 bn
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Loan-to-deposit ratio	65.5 %
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Non-performing loan ratio	1.08 %
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SMBC's profitability

	FY3/14	1H, FY3/15
Gross banking profit	JPY 1,558 bn USD 15.1 bn	JPY 828 bn USD 7.6 bn

Banking profit*5 (before provisions)	JPY 812 bn USD 7.9 bn	JPY 441 bn USD 4.0 bn
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Net income	JPY 605 bn USD 5.9 bn	JPY 408 bn USD 3.7 bn
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Overhead ratio*6	47.9%	46.7 %
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(Non-consolidated)

*1 Exchange rate for 1 USD: 102.88 JPY as of Mar. 31, 2014, 109.45 JPY as of Sep. 30, 2014 and 120.56 JPY as of Dec. 30, 2014

*2 Total balance of bonds with maturities classified as "Other securities" and bonds of held-to-maturity; total of Japanese government bonds, Japanese local government bonds and Japanese corporate bonds

*3 SMBC's overseas offices, offices of overseas subsidiary banks, and other subsidiaries and affiliates

*4 SMBC's long-term senior unsecured bond ratings as of Dec. 30, 2014

*5 Before provision for general reserve for possible loan losses

*6 Expenses divided by gross banking profit

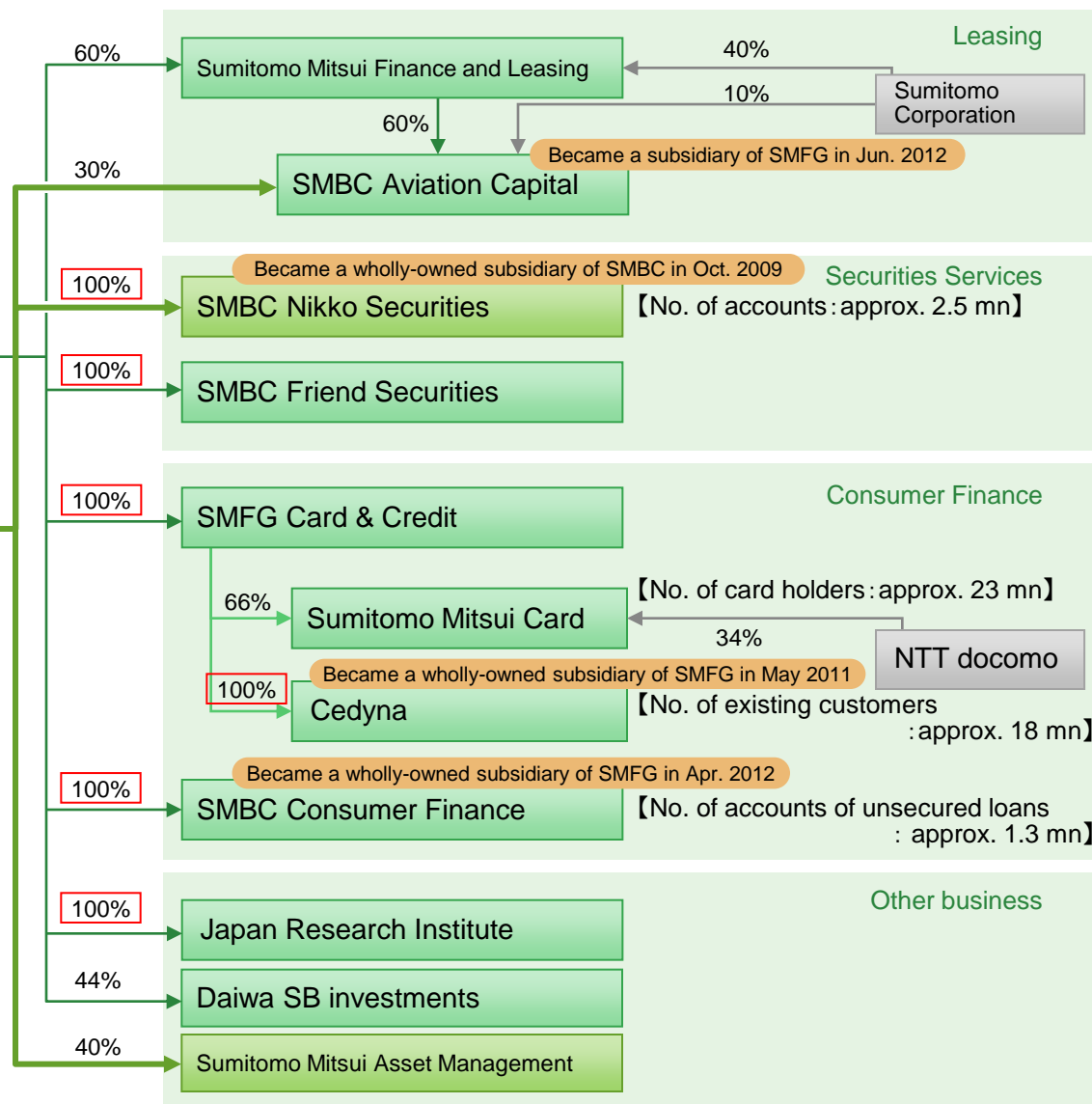
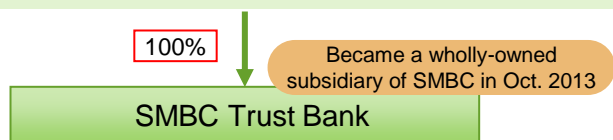
Group structure*1



Sumitomo Mitsui Financial Group (Consolidated)	
Total assets	JPY 172 tn
Common Equity Tier 1 ratio*2	10.7 %



Sumitomo Mitsui Banking Corporation (Non-consolidated)	
Total assets	JPY 144 tn
Deposits*3	JPY 85 tn
Loans	JPY 66 tn
# of retail accounts	28 mn
# of corporate loan clients	94 thousand



*1 As of Sep. 30, 2014

*2 Basel III fully-loaded basis

*3 Excludes negotiable certificates of deposits

■ Highlights

Profitability

- Financial results of 1H, FY3/2015
- Loan balance & spread
- Sources of profitability

Financial soundness

- Asset quality
- Capital
- Liquidity
- Foreign currency funding

Growth

- Medium-term management plan
- International business
- Wholesale business
- Retail business

Financial results of FY3/2014 and 1H, FY3/2015

		(JPY bn)	FY3/2013 Results	FY3/2014 Results	YOY change	1H, FY3/2015 Results	YOY change
SMBC non-consolidated	Gross banking profit		1,540.1	1,558.1	+18.0	827.8	+6.0
	<i>Net Interest Income</i>		971.2	1,064.9	+93.7	586.9	+16.0
	Expenses ^{*1}		(727.7)	(745.7)	(18.0)	(386.9)	(18.3)
	<Overhead ratio> ^{*2}		47.3%	47.9%	+0.6pt	46.7%	+1.8pt
	Banking profit (before provisions) ^{*3}		812.4	812.4	+0.0	440.9	(12.3)
	Total credit cost		(19.5)	123.9	+143.4	124.2	+45.9
	Gains (losses) on stocks		(35.7)	106.4	+142.1	48.2	(28.3)
	Ordinary profit		670.9	952.5	+281.6	592.5	+68.9
	Net income		617.8	605.3	(12.5)	408.2	+78.0
Reference: SMFG consolidated	Ordinary profit		1,073.7	1,432.3	+358.6	780.5	(55.4)
	Net income		794.1	835.4	+41.3	479.5	(26.2)

*1 Excludes non-recurring losses

*2 Expenses divided by gross banking profit

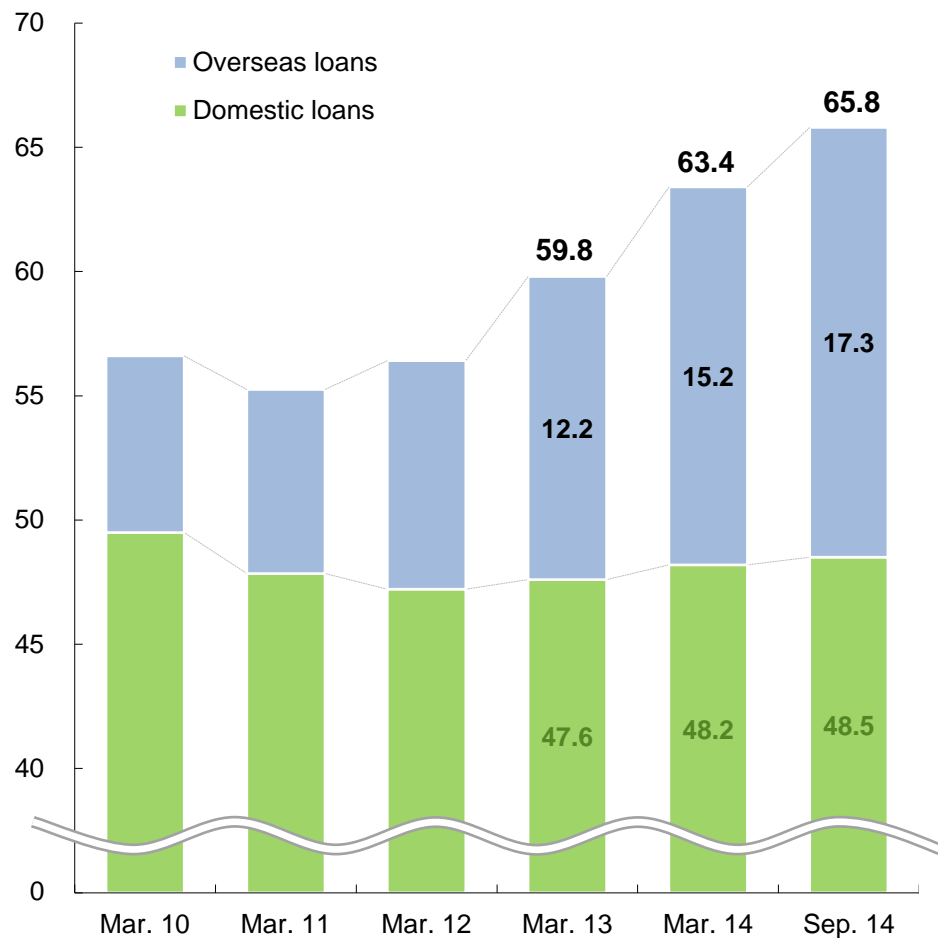
*3 Before provision for general reserve for possible loan losses

Loan balance

Loan balance

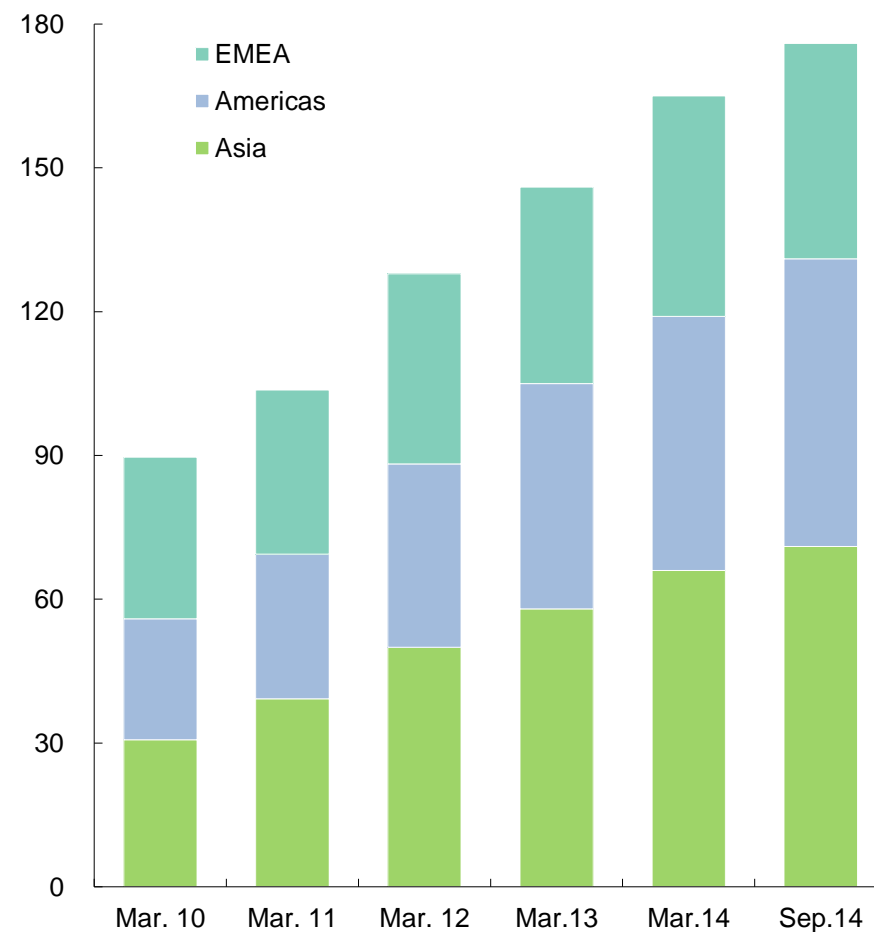
(JPY tn)

(SMBC non-consolidated)



Overseas loan balance*

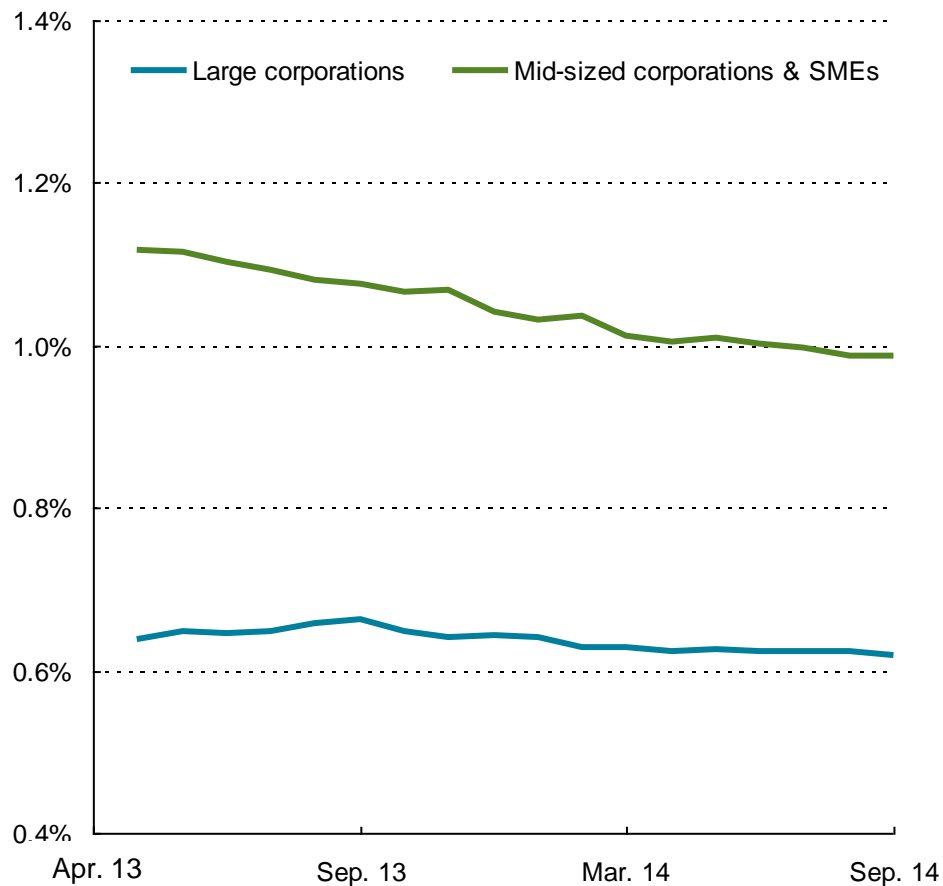
(USD bn)



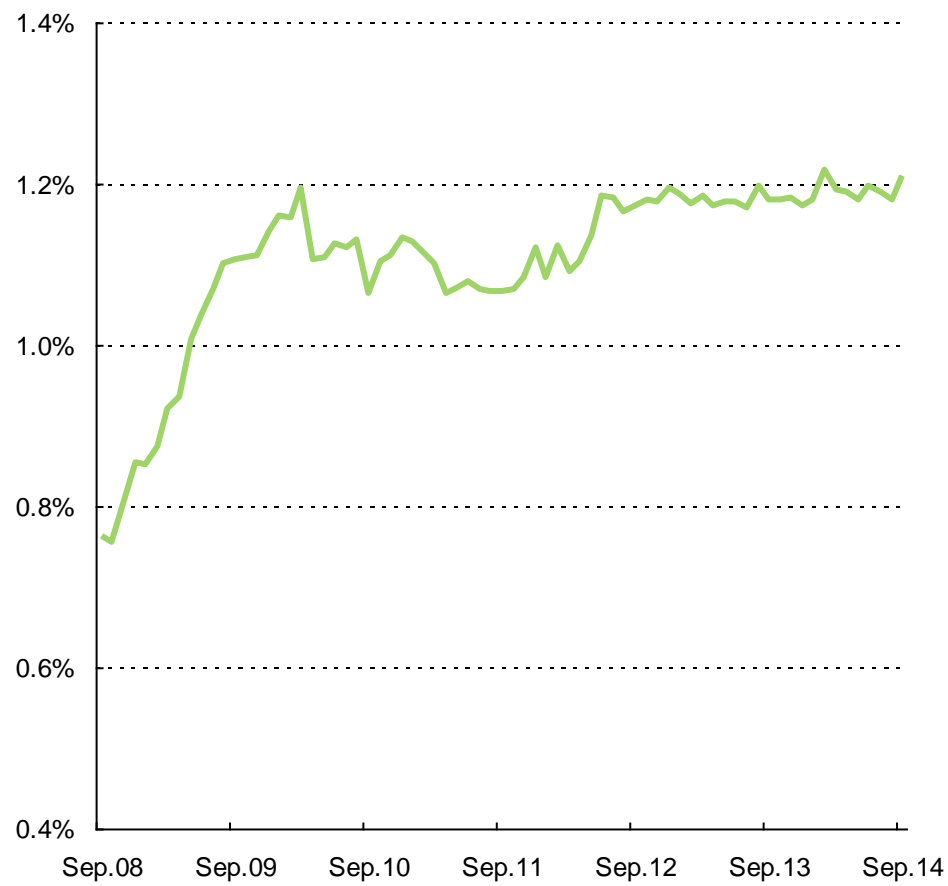
* Managerial accounting basis, converted at respective period-end FX rates. Sum of SMBC, SMBC Europe and SMBC (China)

Loan spread*1

Domestic*2



Overseas*3



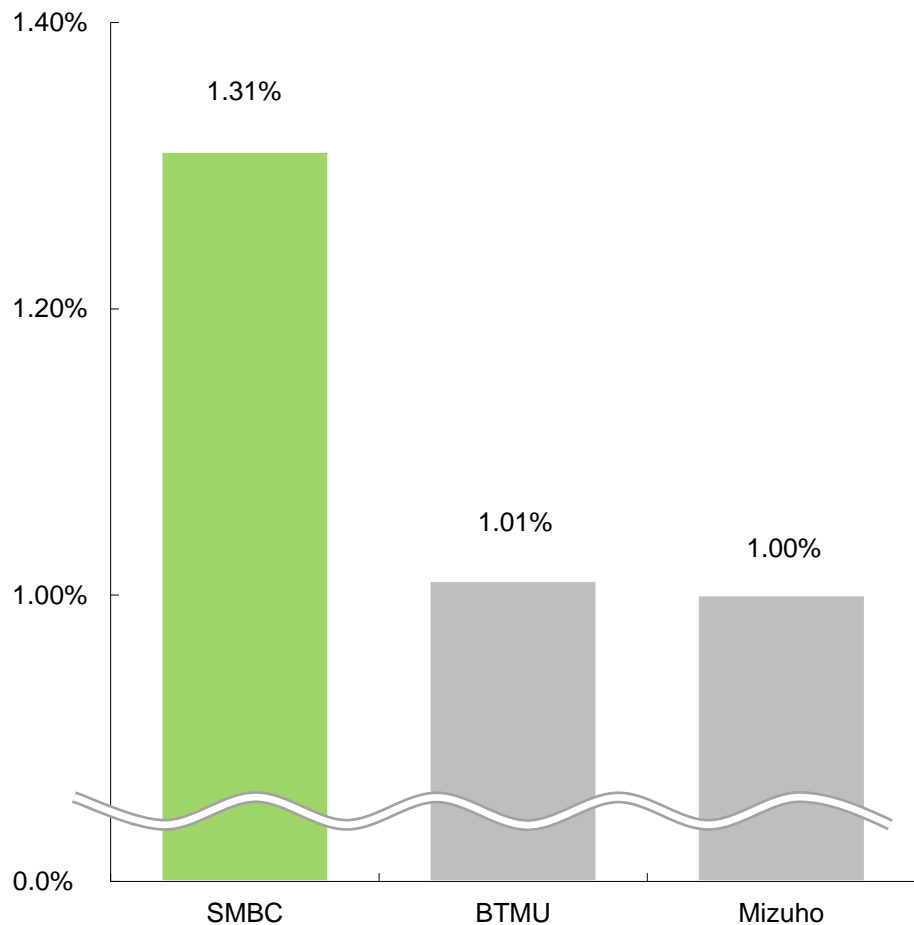
*1 Managerial accounting basis. Average loan spread of existing loans on a monthly basis

*2 SMBC non-consolidated

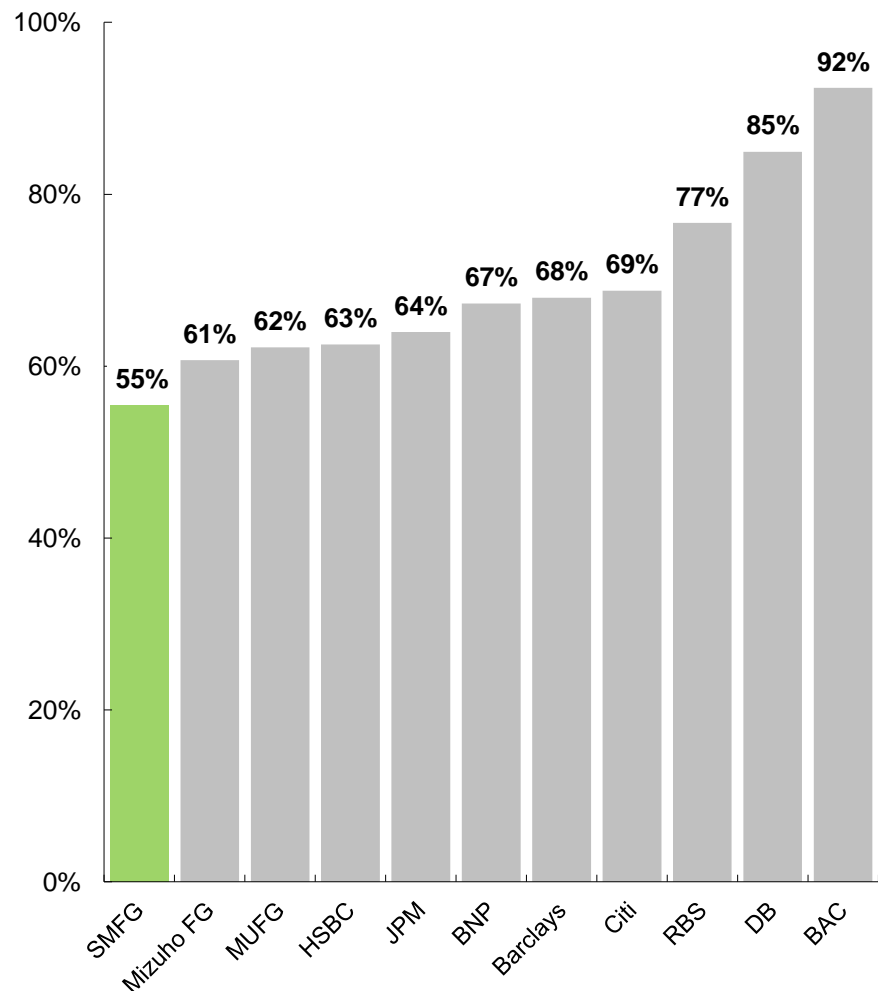
*3 Sum of SMBC, SMBC Europe and SMBC (China)

Sources of profitability

Domestic loan-to-deposit spread*¹



Overhead ratio on a group consolidated basis*²



*¹ All figures are on a non-consolidated basis based on each company's 1H, FY3/15 disclosure

*² Based on each company's disclosure. G&A expenses divided by top-line profit (net of insurance claims). 1H, FY3/15 results for SMFG, MUFG and Mizuho FG, and 3Q, FY12/14 results for others

■ Highlights

Profitability

- Financial results of 1H, FY3/2015
- Loan balance & spread
- Sources of profitability

Financial soundness

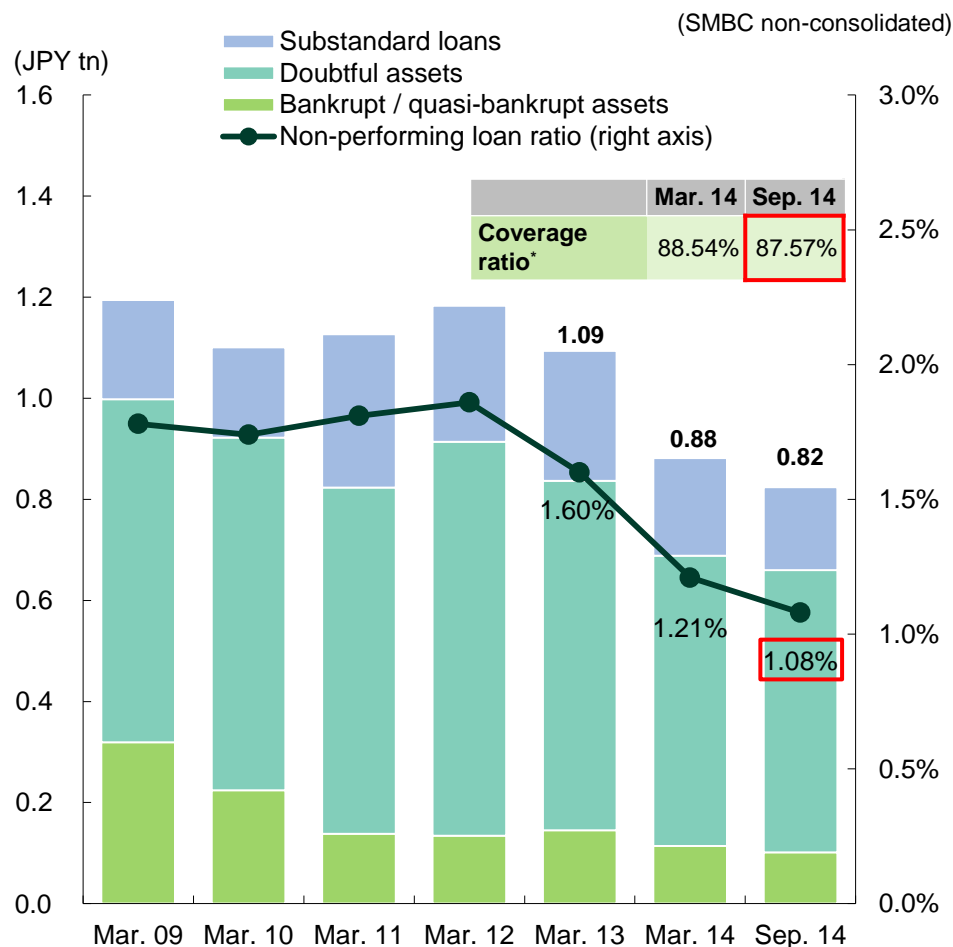
- Asset quality
- Capital
- Liquidity
- Foreign currency funding

Growth

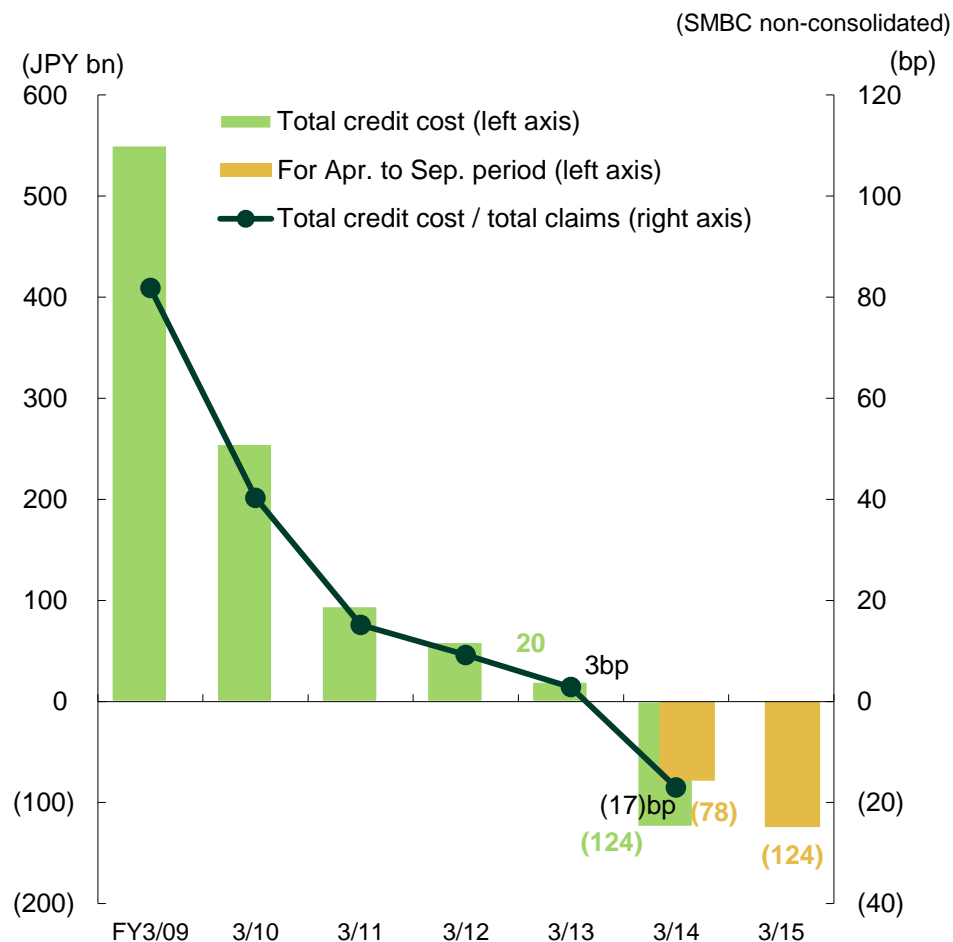
- Medium-term management plan
- International business
- Wholesale business
- Retail business

Asset quality - solid loan portfolio

Balance of non-performing loans

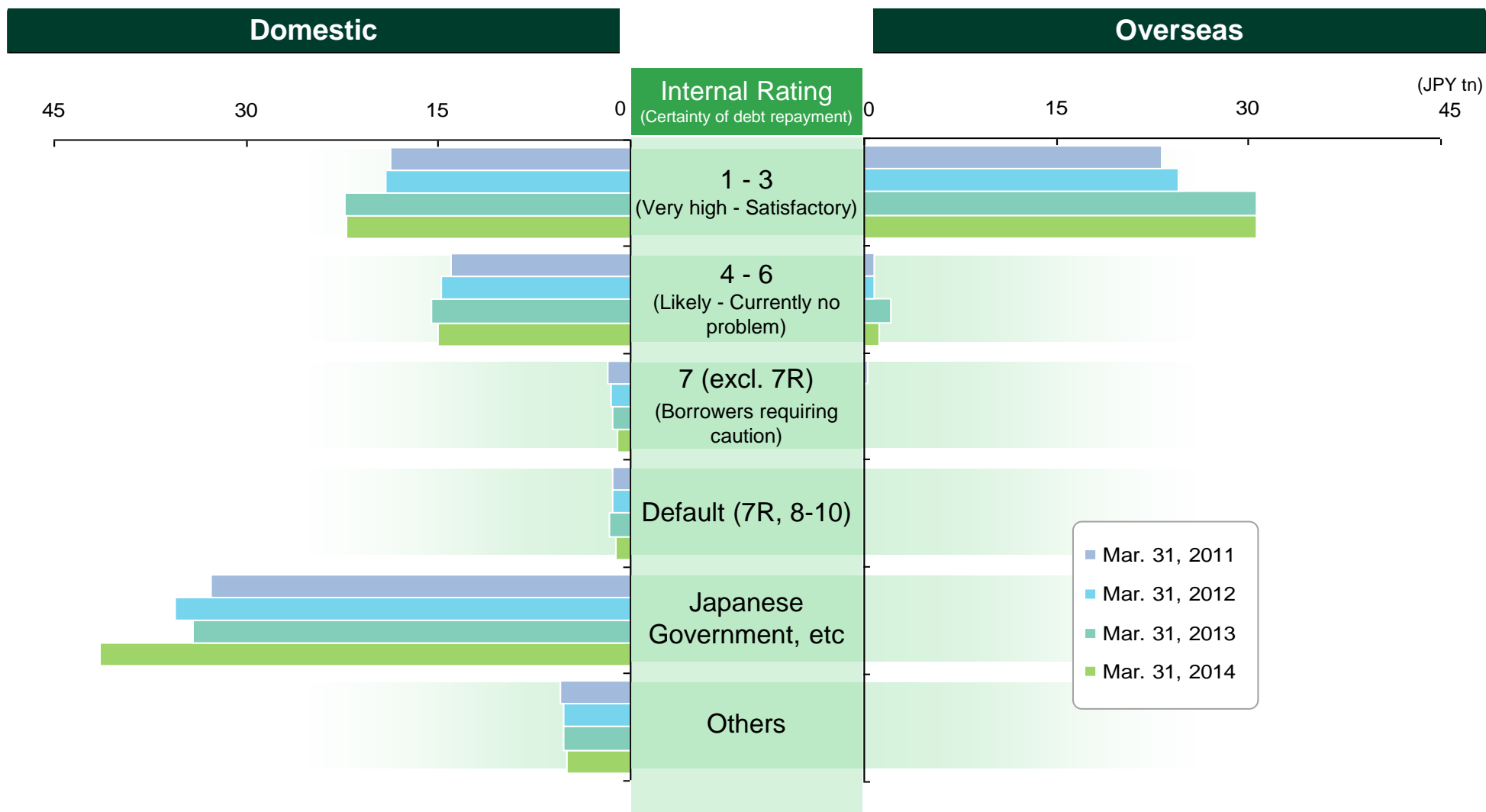


Total credit cost



* Ratio of the collateral, guarantees and specific and general reserves to total non-performing loans

Corporate, sovereign and bank exposures*



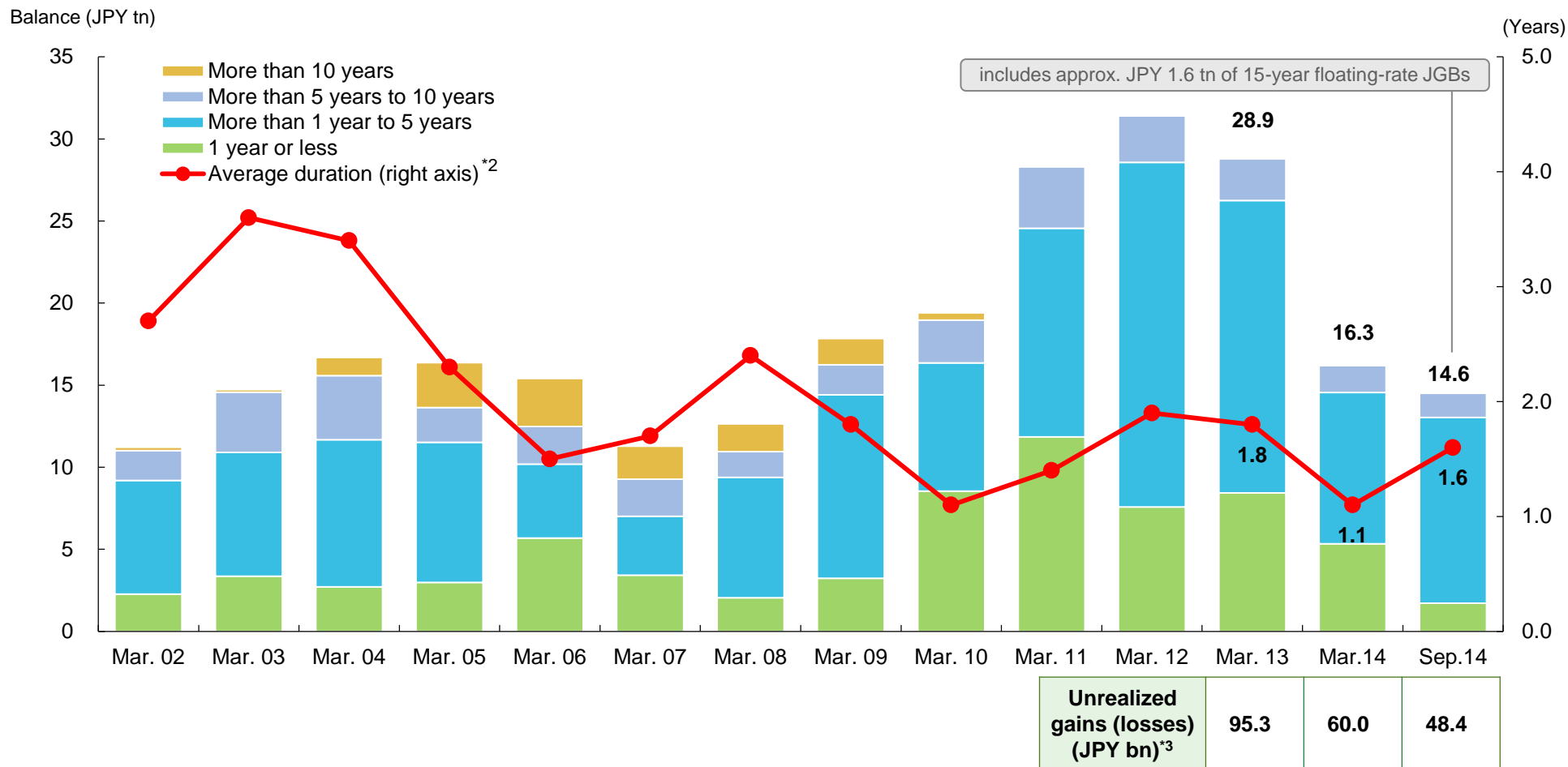
(SMFG consolidated)

* 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 grading system

Asset quality - bond portfolio

Yen bond portfolio*1

(SMBC non-consolidated)



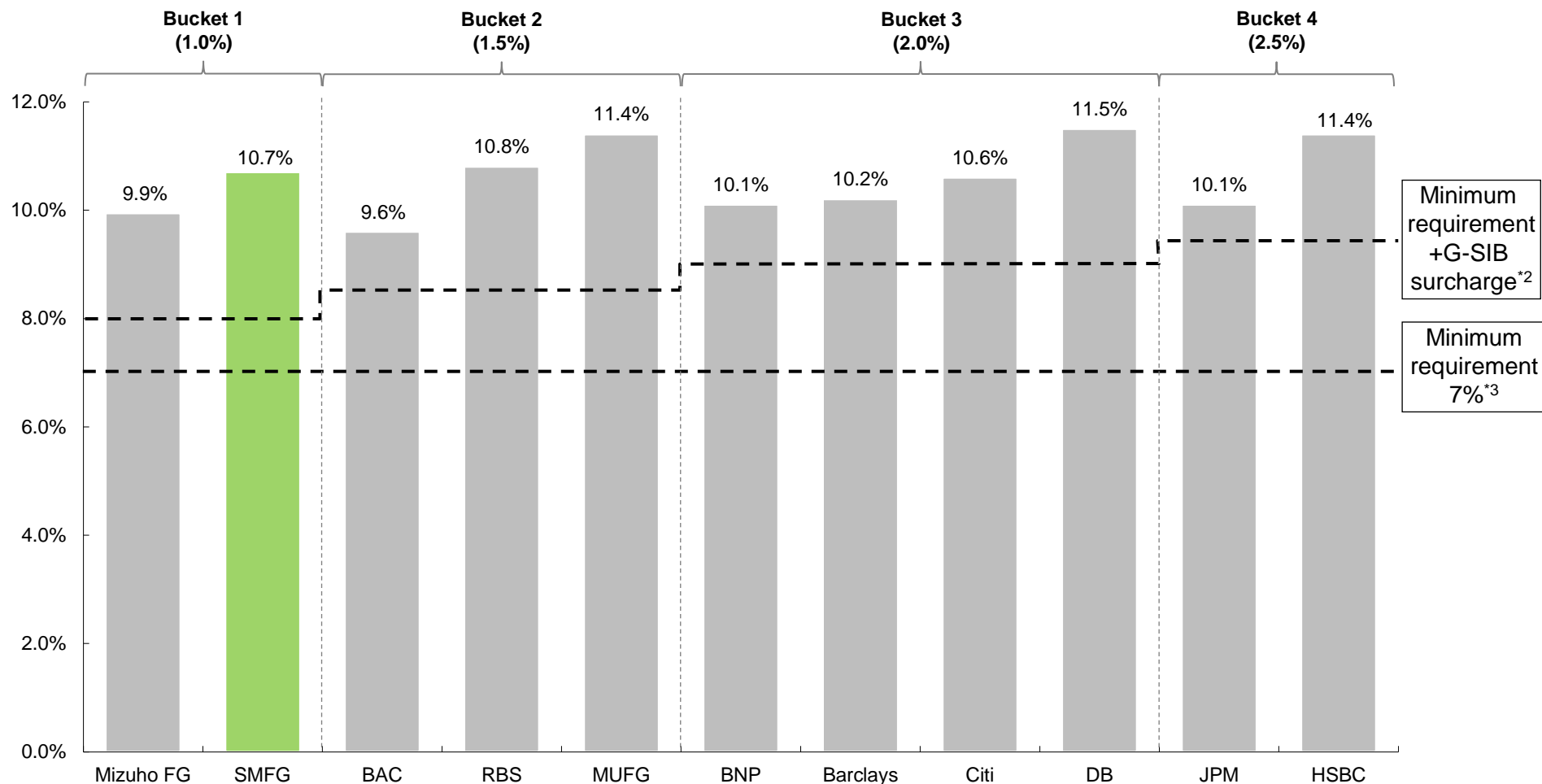
*1 Total balance of bonds with maturities classified as "other securities" and bonds of held-to-maturity; total of JGBs, Japanese local government bonds and Japanese corporate bonds

*2 Excludes bonds classified as 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.

*3 15-year floating-rate JGBs have been carried at their reasonably estimated amounts from Mar. 09

Resilient capital base

Common Equity Tier 1 ratio - Basel III fully-loaded basis (pro forma)^{*1}



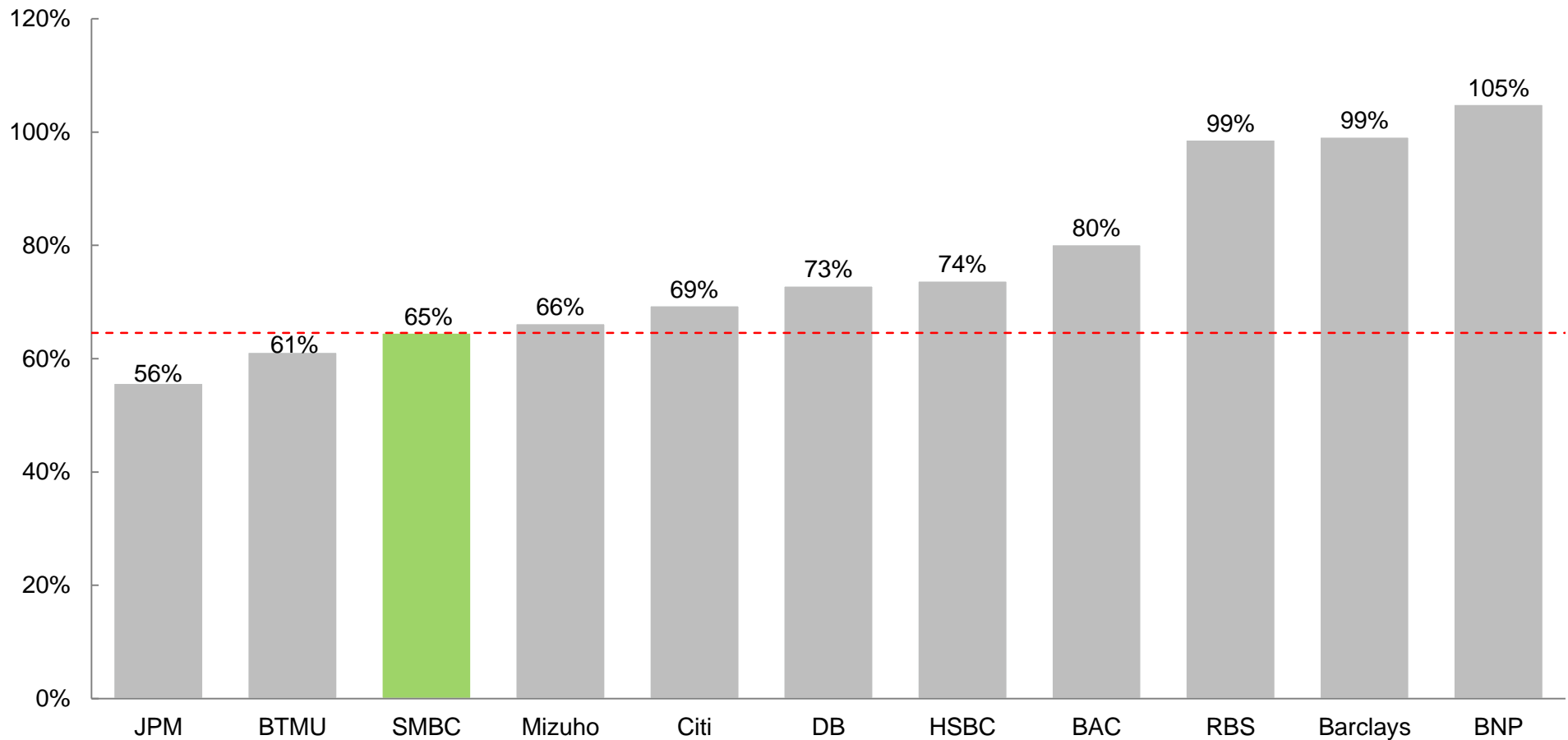
^{*1} Based on each company's disclosure. As of Sep. 30, 2014. The ratio for Mizuho FG includes Eleventh Series Class XI Preferred Stock of JPY 277.8bn

^{*2} According to the list published by the Financial Stability Board in Nov. 2014

^{*3} Minimum requirement = Minimum CET 1 Requirements (4.5%) + Capital conservation buffer (2.5%)

Liquidity - supported by a sticky domestic deposit base

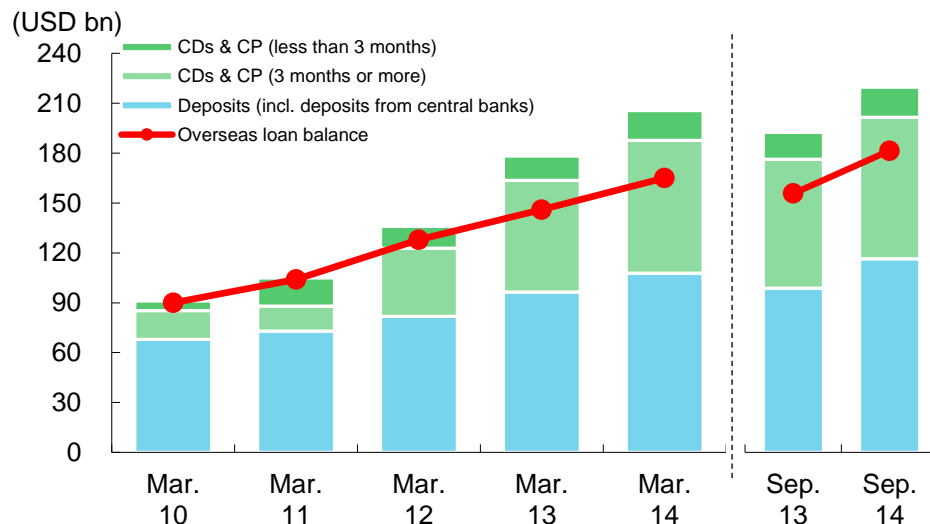
Loan-to-deposit ratio*



* Based on each company's disclosure. Figures of SMBC, BTMU and Mizuho are on a non-consolidated basis as of Sep. 30, 2014. The others are on a consolidated basis as of Sep. 30, 2014

Foreign currency funding

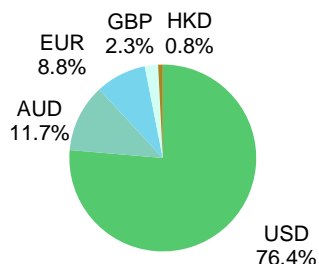
Overseas deposit & loan balance*1



Long-term capital markets funding*2

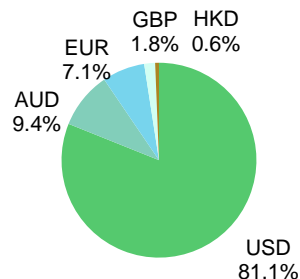
(After Apr. 2012)

Total: USD18.0 bn



(Outstanding)

Total: USD22.4 bn



Foreign currency funding by region

Region (Main currency)	Major capital markets funding tool
Head Office (USD/EUR/GBP/AUD/HKD)	Global MTN Programme (USD50BN)
	Euro MTN Programme (JPY1,500BN)
Europe (USD/EUR/GBP)	Euro CP Programme (EUR10BN)
	Euro CD
US (USD)	US Domestic CP Programme (USD15BN)
	US Domestic CD
Australia (USD/AUD)	Debt Issuance Programme (USD8BN)
	Australian Domestic CD
Hong Kong (HKD)	CD Programme (HKD15BN)
Singapore (SGD)	CD Programme (SGD5BN)

Recent deals

- Dec. 29, 2014 / AUD / 190mn / Uridashi / 4y / unsecured FIX / at 3mUSD L+19.5(3mBBSW+51.5)
- Sep. 4, 2014 / AUD / 400mn / TCD / 3y / unsecured FRN / at 3mUSD L+44 (3mBBSW+68)
- Aug. 29, 2014 / HKD / 200mn / CD / 3y / unsecured FRN / at 3mUSD L+48.5 (3M Hibor+42.5)
- Jul. 11, 2014 / USD / 3bn / 3y, 3y FRN, 5y, 10y / senior unsecured
- May 8, 2014 / USD / 100mn / Private Placement / 15y / unsecured FIX / at 3mUSD L+95.6

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

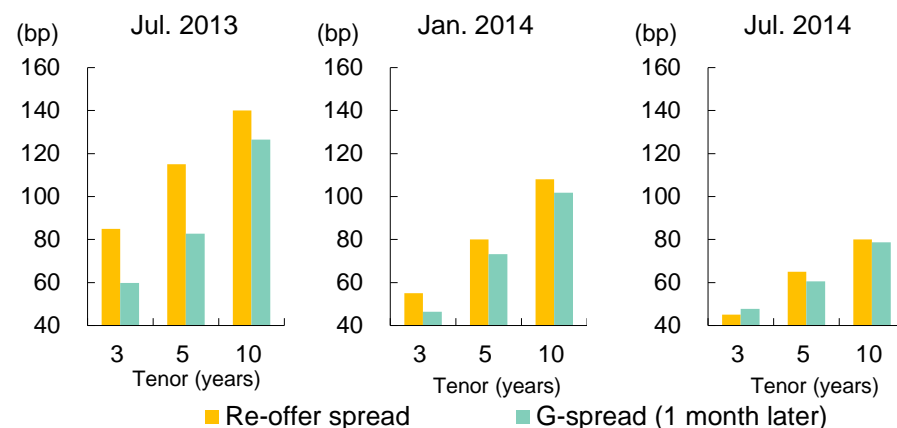
*2 Senior unsecured issuance with original maturity of three years or more

USD senior bonds issuances

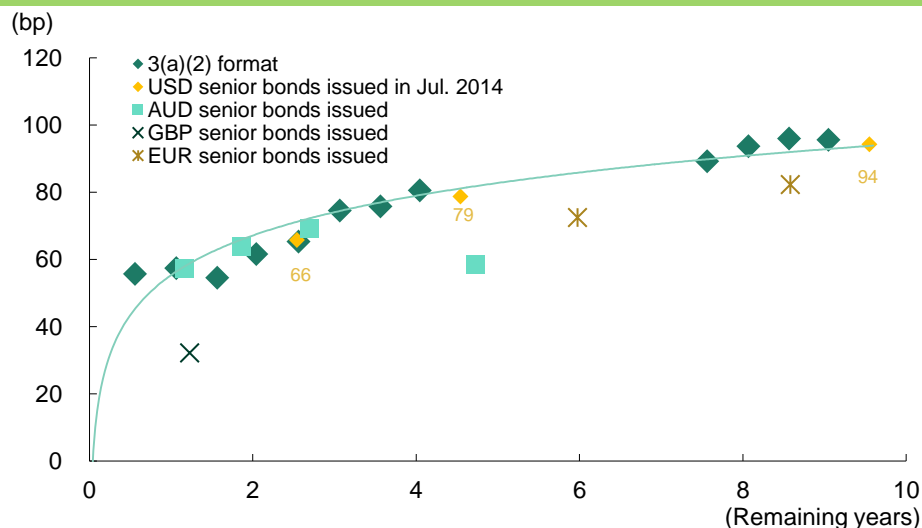
Highlights

- Our periodic issuances since July 2010 provide a high degree of liquidity to the bonds
- The only Japanese commercial bank issuer to be included in the Barclays U.S. Aggregate Index – 3(a)(2) format gives additional comfort to investors, especially in the U.S.

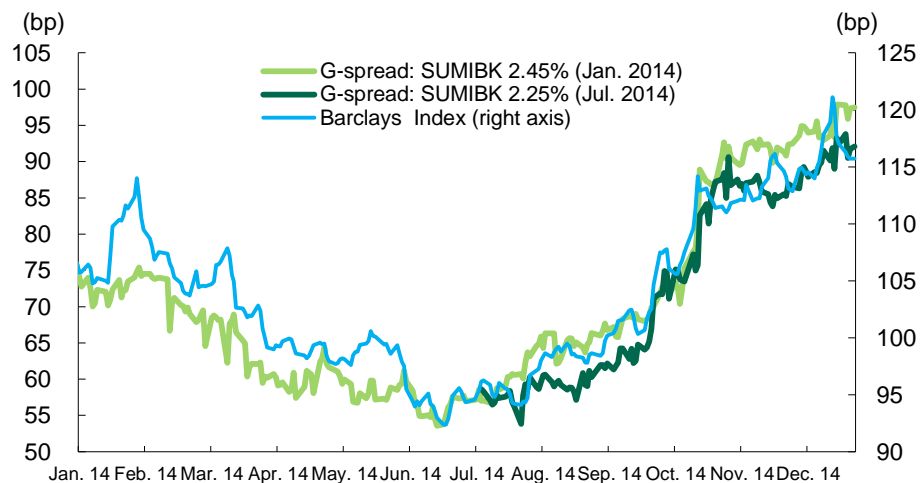
Secondary trading level*1



SUMIBK credit curve (USD Libor spread)*1*2



SUMIBK secondary level (5 year Fixed) vs. Index*1*2



*1 Source: Bloomberg, Barclays US Aggregate Financial Institutions Index

*2 As of Dec. 26, 2014

EUR senior bonds issuances

Funding strategy

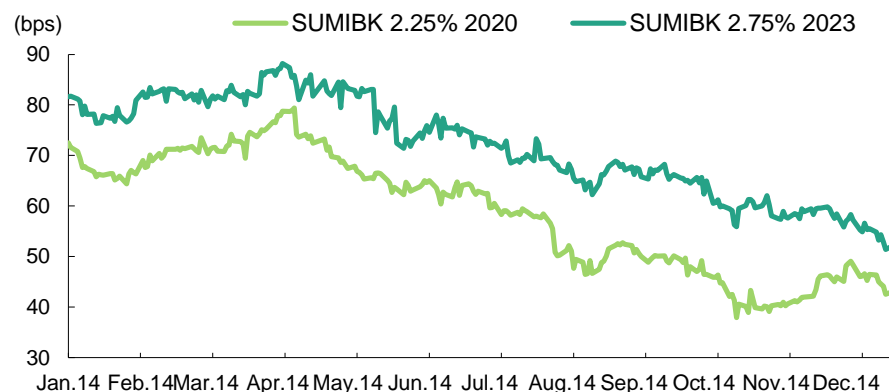
- The objective of EUR Benchmark Issuance
 - Diversify investor base for SUMIBK
 - Aim to construct the credit curve in the EUR market by periodic access

Summary terms – July 2013 & December 2013

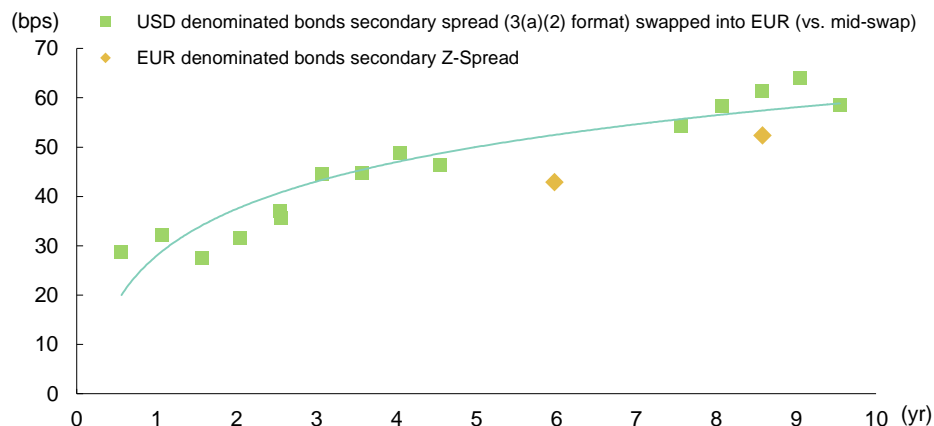
Issuer	SMBC	
Securities Offered	Senior Notes	
Rating	Aa3 / A+ (Moody's / S&P)	
Tenor	10-year	7-year
Amount	€500mn	€750mn
Coupon	2.750%	2.250%
Reoffer spread	MS+98bps / DBR+130.9bps	MS+78bps / DBR+119.9bps
Price	99.312	99.330
Pricing Date	18-Jul-2013	09-Dec-2013
Issue Date	24-Jul-2013	16-Dec-2013
Maturity Date	24-Jul-2023	16-Dec-2020
Format	EMTN / Regulation S	
Listing	Luxembourg Stock Exchange (Euro-MTF)	

Secondary spread (Z-spread)^{*1*2}

- Stable secondary performance supported by scarcity value as the only Japanese mega bank issuing senior bonds in European currencies



EUR mid-swap based credit curve of USD denominated bond^{*1*2}



*1 Source: Bloomberg

*2 Secondary spread as of Dec. 26, 2014

■ Highlights

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Financial soundness

- Asset quality
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Growth

- Medium-term management plan
- International business
- Wholesale business
- Retail business

Highlights of SMFG's medium-term management plan

1

As the first step toward realizing our vision for the next decade, develop client-centric business model in the next three years

2

Build a platform for becoming an Asia-centric institution

3

Focus on organic growth of top-line profit

4

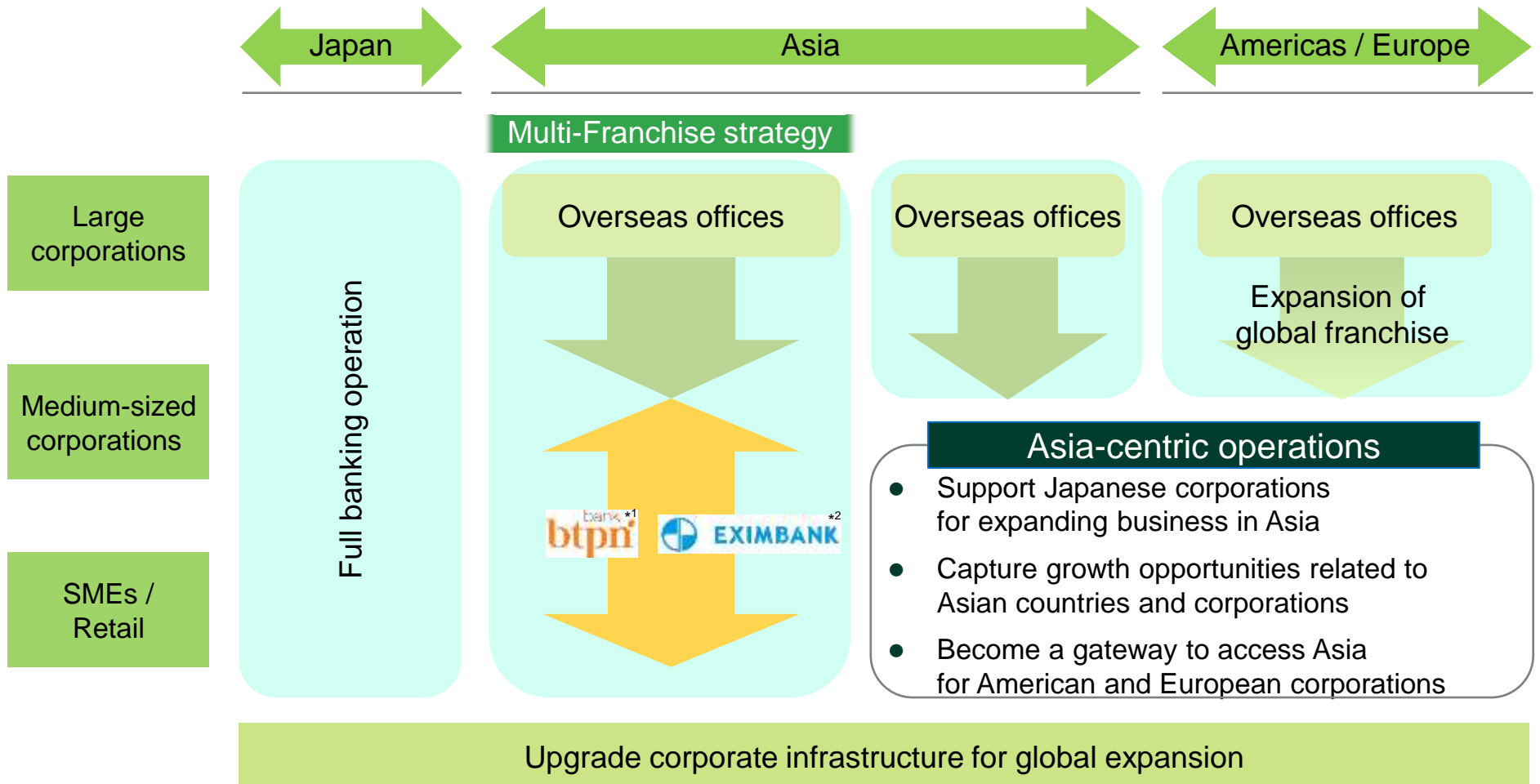
Driving forces: G-CIB, Asia, Nikko, Consumer finance

5

Aim for stable increase in dividend per share and sustainable growth of shareholder value, while focusing on capital efficiency

International business - true globalization & Asia-centric operations

- Aim to become a leading financial group in Asia by proactively investing our resources in the region, while expanding our global franchise



*1 PT Bank Tabungan Pensiunan Nasional Tbk

*2 Vietnam Eximbank

Wholesale business - large corporate business

- Recognizing large corporate business as a growth area, create our unique Global-Corporate and Investment Banking (G-CIB) business model
- Drive top-line growth in corporate business. SMBC Nikko Securities to become a top player in equity and bond underwriting

Unique G-CIB model

- Seamless operation of bank-securities and domestic and overseas offices, and solutions offered based on extensive knowledge of industries globally

Large corporate clients

offer higher quality solutions



Expand RM Depts. Dual-role, HR exchange Expand client coverage

Extensive knowledge of industries

Seamless operation of domestic / overseas offices

SMBC Nikko Securities

- Aim for a market share of 20% for underwriting of Japanese equities and corporate bonds. Secure a top-3 position in 3 years

League tables (1H, FY3/2015)

Global equity and equity-related^{*1}

JPY denominated bonds^{*2}

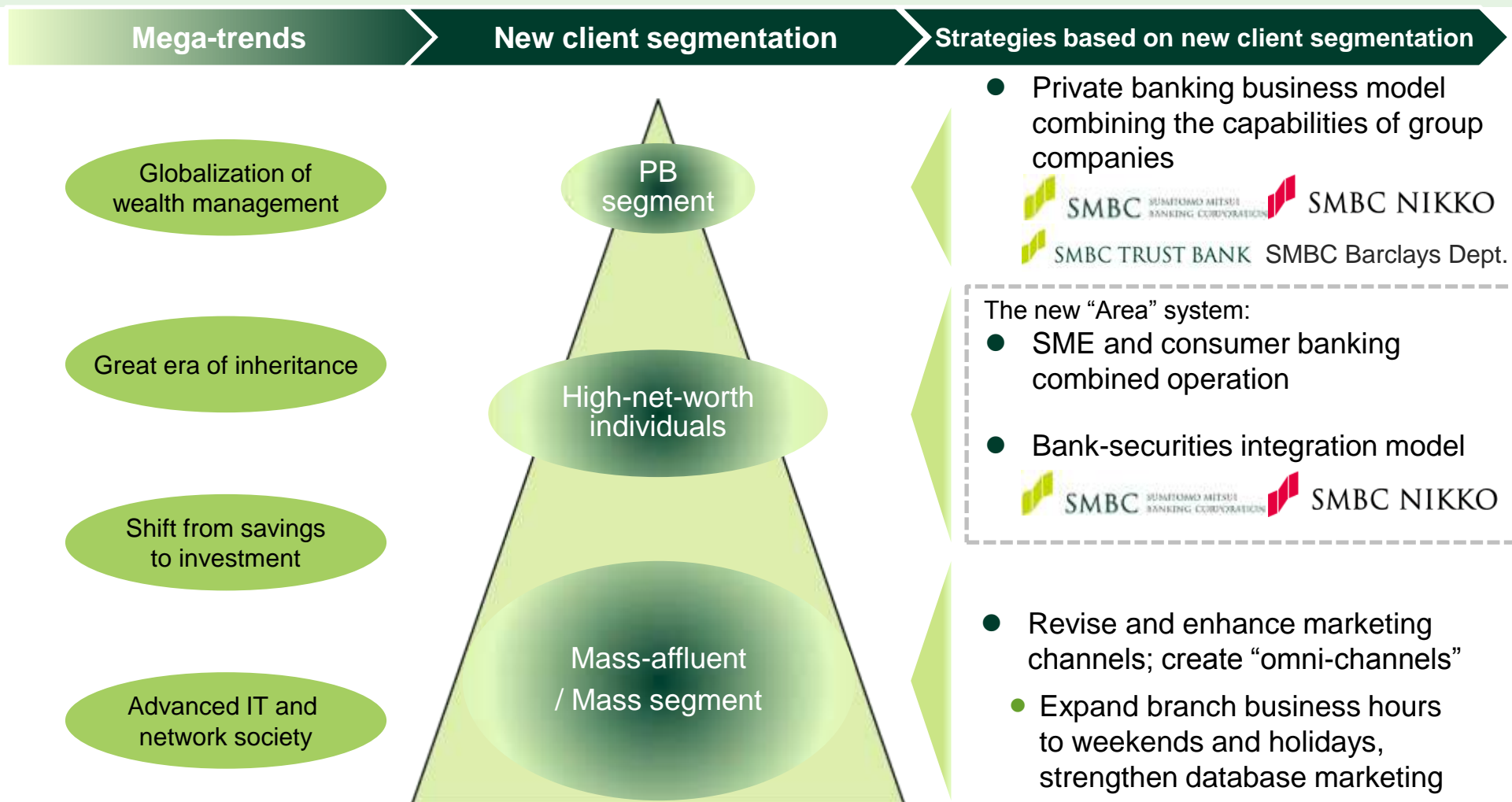
Bookrunner	Underwriting amount (JPY bn)	Market share	Lead manager	Underwriting amount (JPY bn)	Market share
1. Nomura	611.1	34.2%	1. Nomura	1,906.1	20.4%
2. SMBC Nikko	318.7	17.8%	2. Mitsubishi UFJ MS	1,799.1	19.3%
3. Daiwa	313.9	17.6%	3. Mizuho	1,694.5	18.2%
4. Mizuho	178.8	10.0%	4. SMBC Nikko	1,504.1	16.1%
5. Mitsubishi UFJ MS	123.8	6.9%	5. Daiwa	1,457.6	15.6%

*1 Source: SMBC Nikko, based on data from Thomson Reuters. Japanese corporate related only. SMFG group aggregate basis

*2 Source: SMBC Nikko. Corporate bonds, FILP agency bonds, municipality bonds for proportional shares as lead manager, and samurai bonds

Retail business - business model by client segment

- Develop the best-in-class business base in Japan, by leveraging our group's collective strength and revising our marketing channels under strategies based on new client segmentation



Retail business

- consumer finance / credit card business

- Maximize group synergies toward securing top market shares

Consumer finance business

- Achieve strong market share by expanding the variety of our client base through an integrated operation of planning and promotion functions

Clients



Integrated operation of planning and promotion functions

Credit card business

- Reinforce top-line profit and pursue cost-synergies by leveraging on strengths of Sumitomo Mitsui Card and Cedyne, which are bank-based and retail-based credit card companies, respectively

Bank-based clients

Retail-based clients



Integrated management platforms

New leading-edge services

- Utilize ICT and actively invest in new business areas to generate further business opportunities mainly in retail business

New payment services
(alliance with Square, Inc.)



Enhance Internet banking services (strengthen alliance with Yahoo! JAPAN)

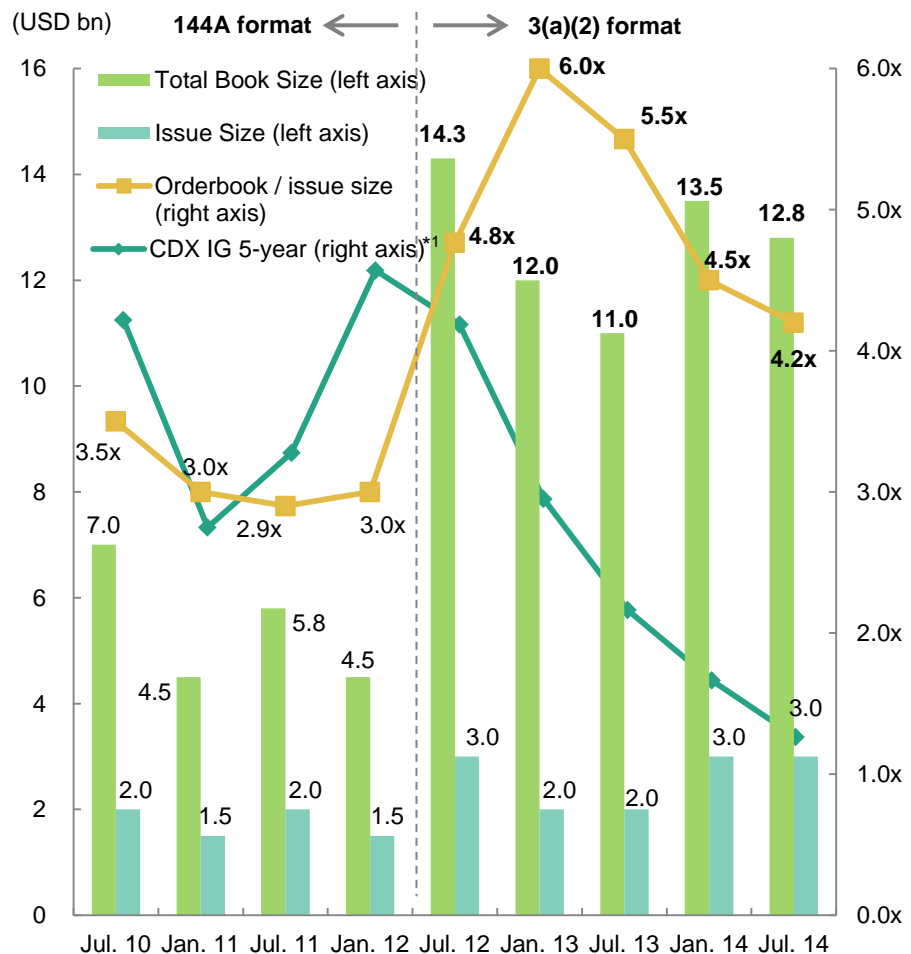


* SMBC Consumer Finance, which operates under the "Promise" brand, Mobit, Sumitomo Mitsui Card and Cedyne are consolidated subsidiaries of SMFG

Appendix

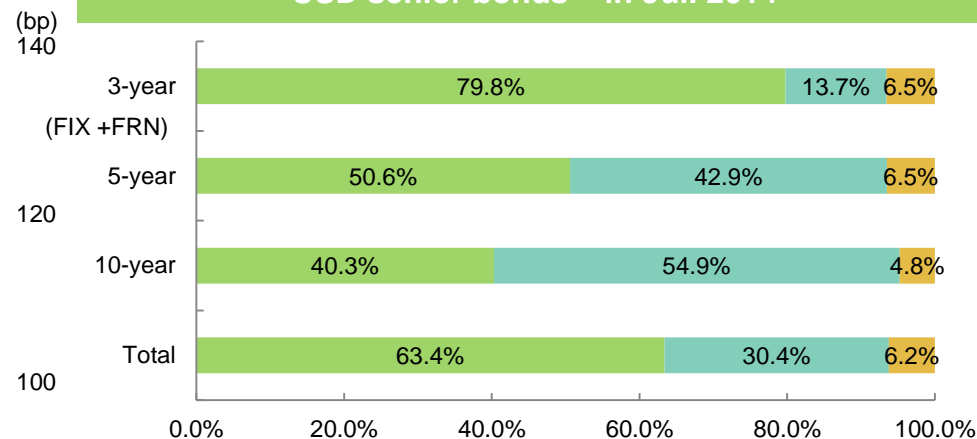
USD senior bonds - transaction analysis

USD senior bonds overall demand

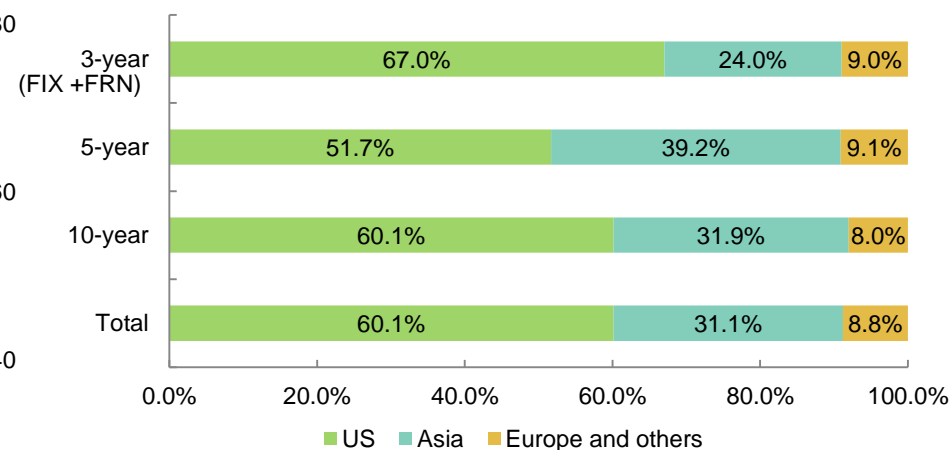


Geographical breakdown of allocation

USD senior bonds – in Jul. 2014



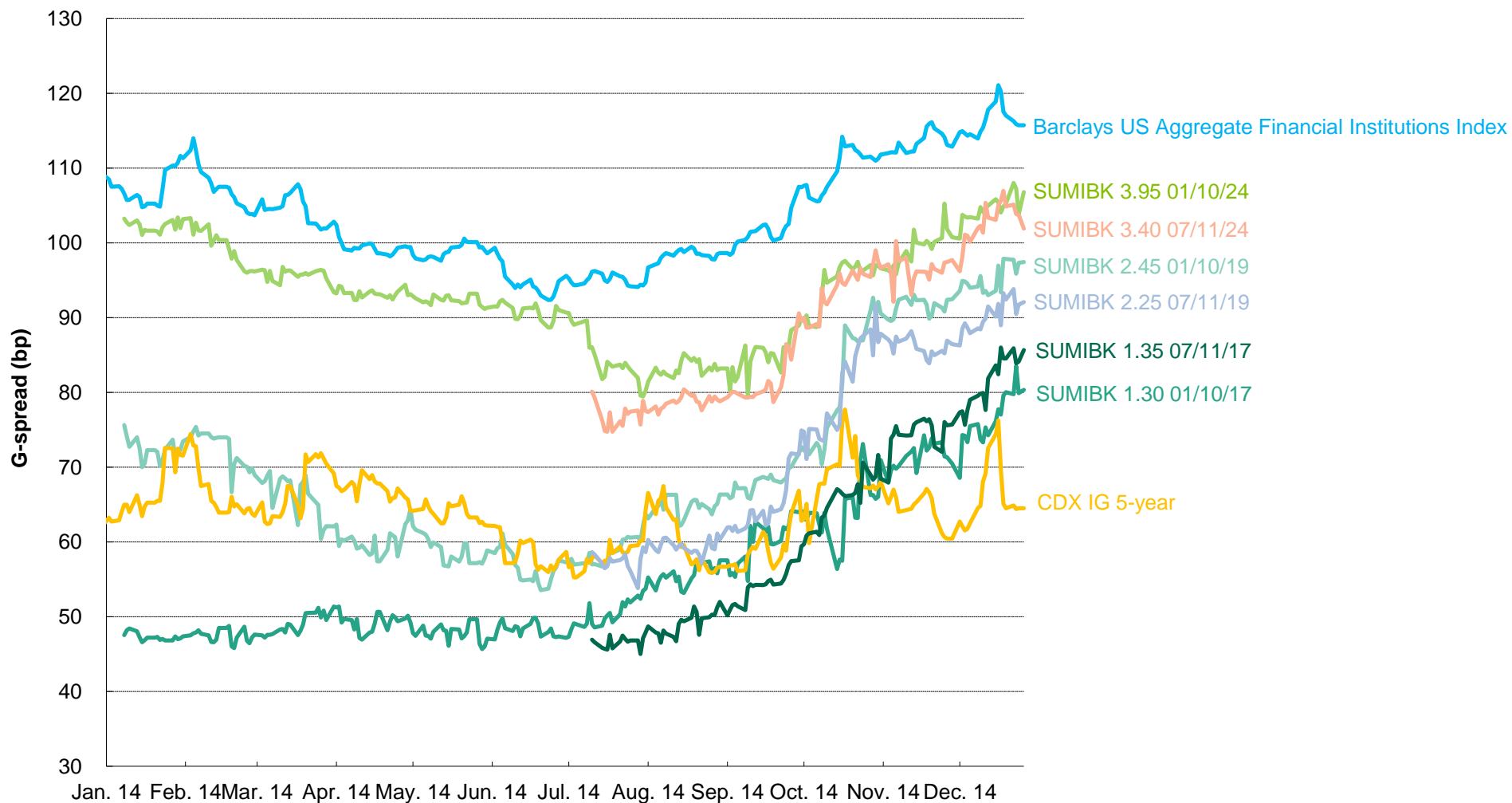
USD senior bonds – after Jul. 2012*2



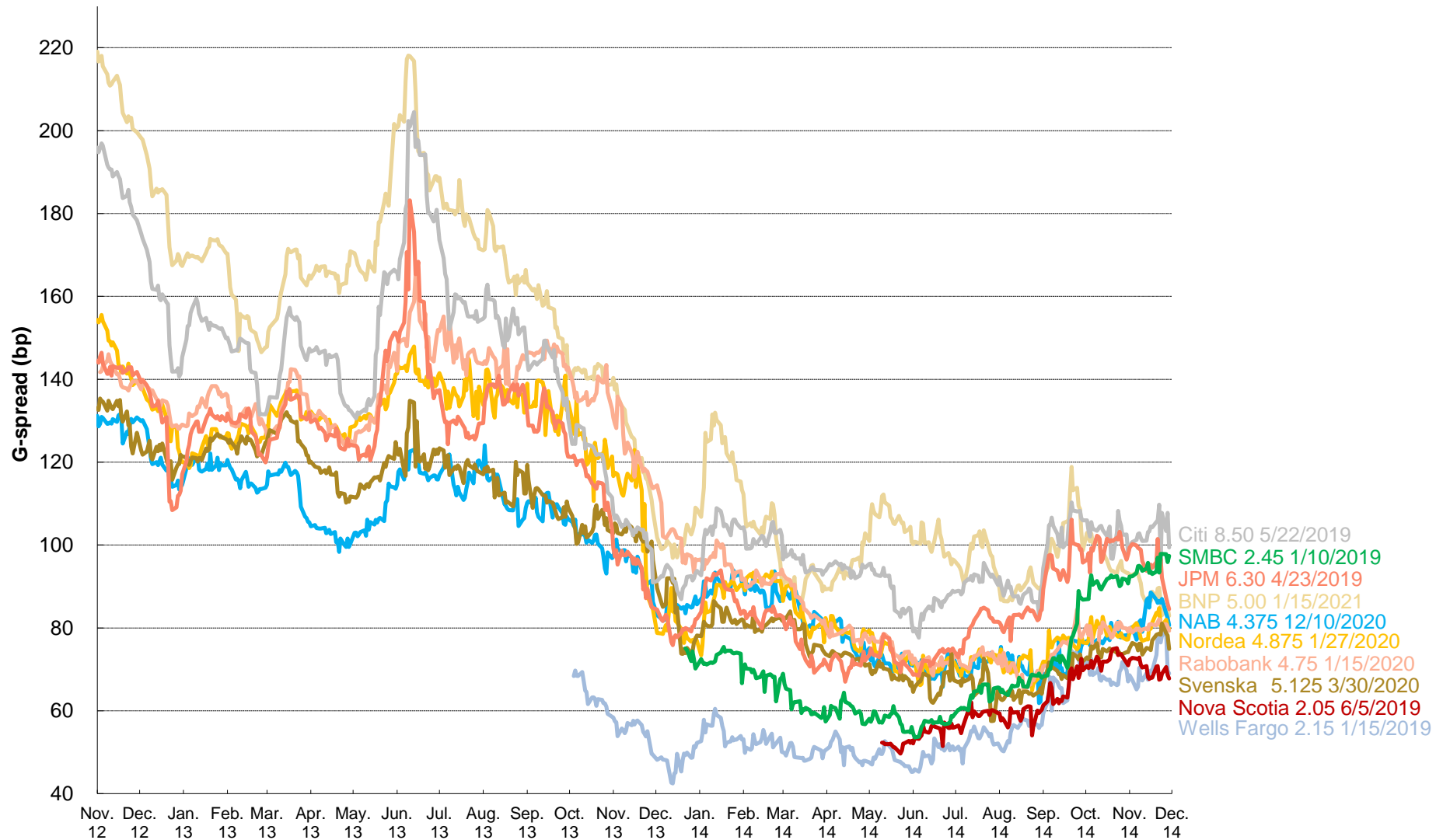
*1 Source: Bloomberg

*2 Percentages are calculated by weighted average of amount issued of Jul. 2012, Jan. 2013, Jul. 2013, Jan. 2014 and Jul. 2014

■ SMBC bonds - USD senior secondary spread

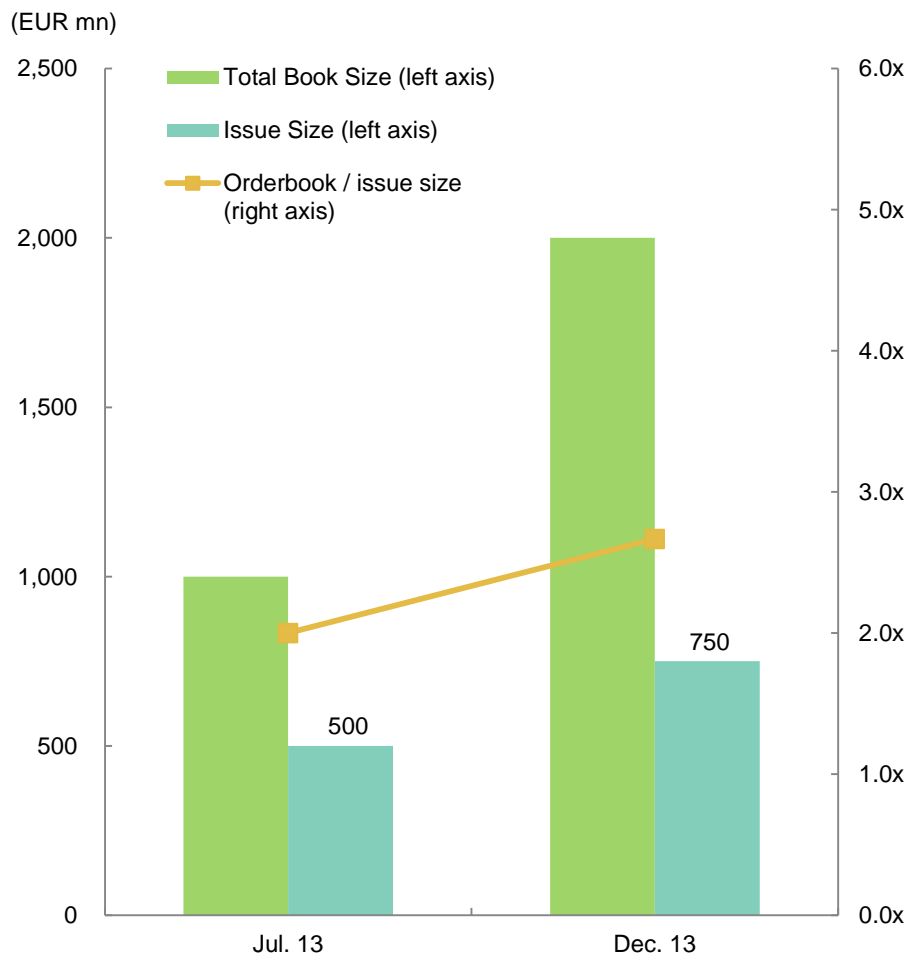


■ USD senior secondary comps (G spread) - Since Nov. 2012



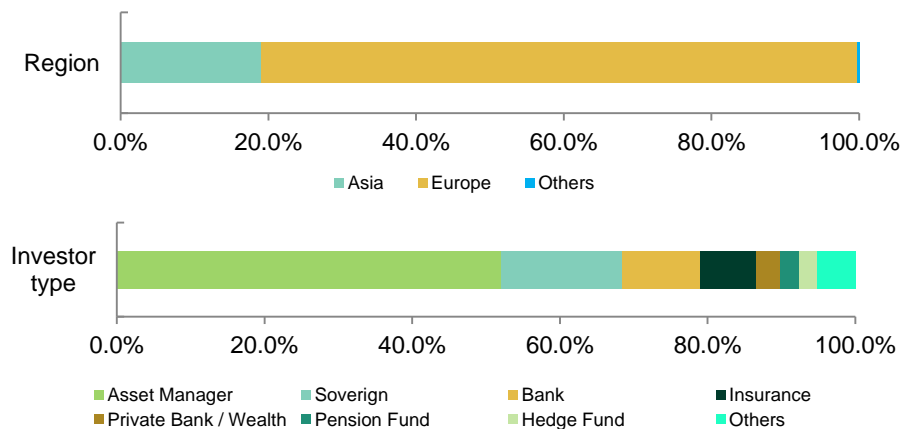
EUR senior bonds - transaction analysis

EUR senior bonds overall demand

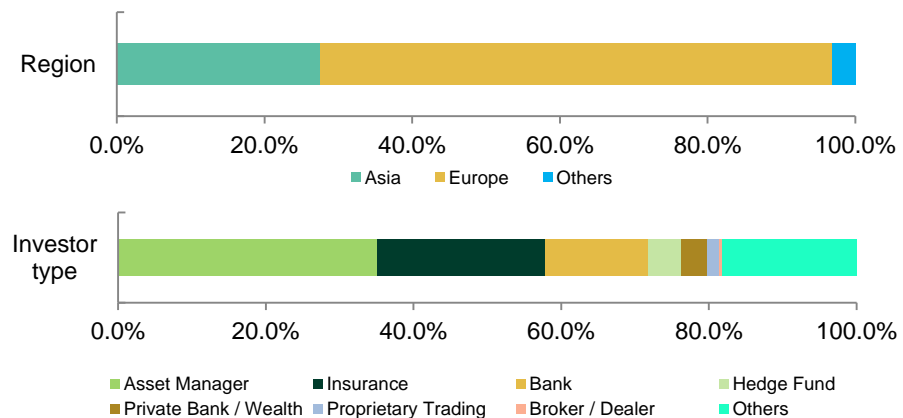


Breakdown of allocation

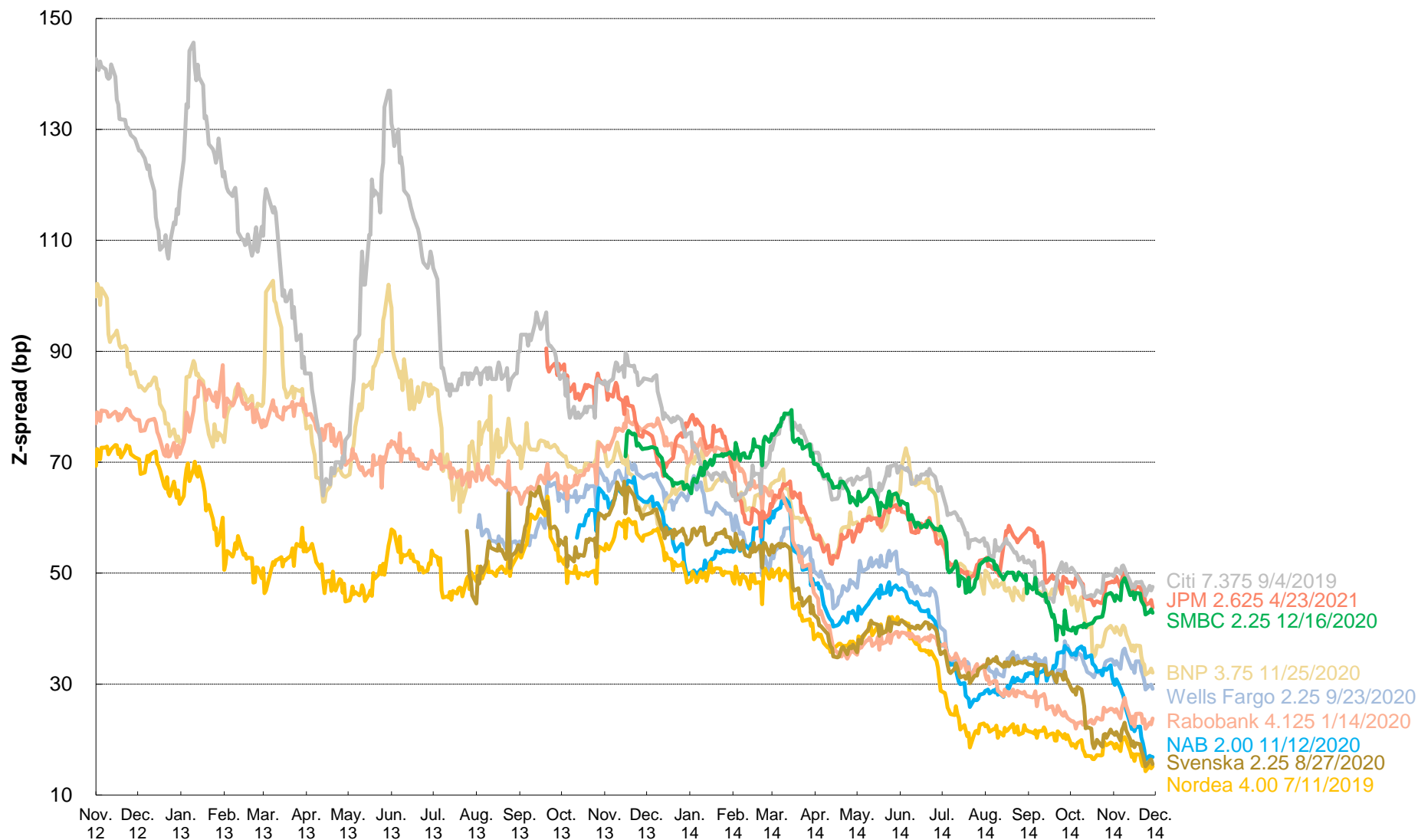
10-year EUR senior bonds (SUMIBK 2.75% 2023)



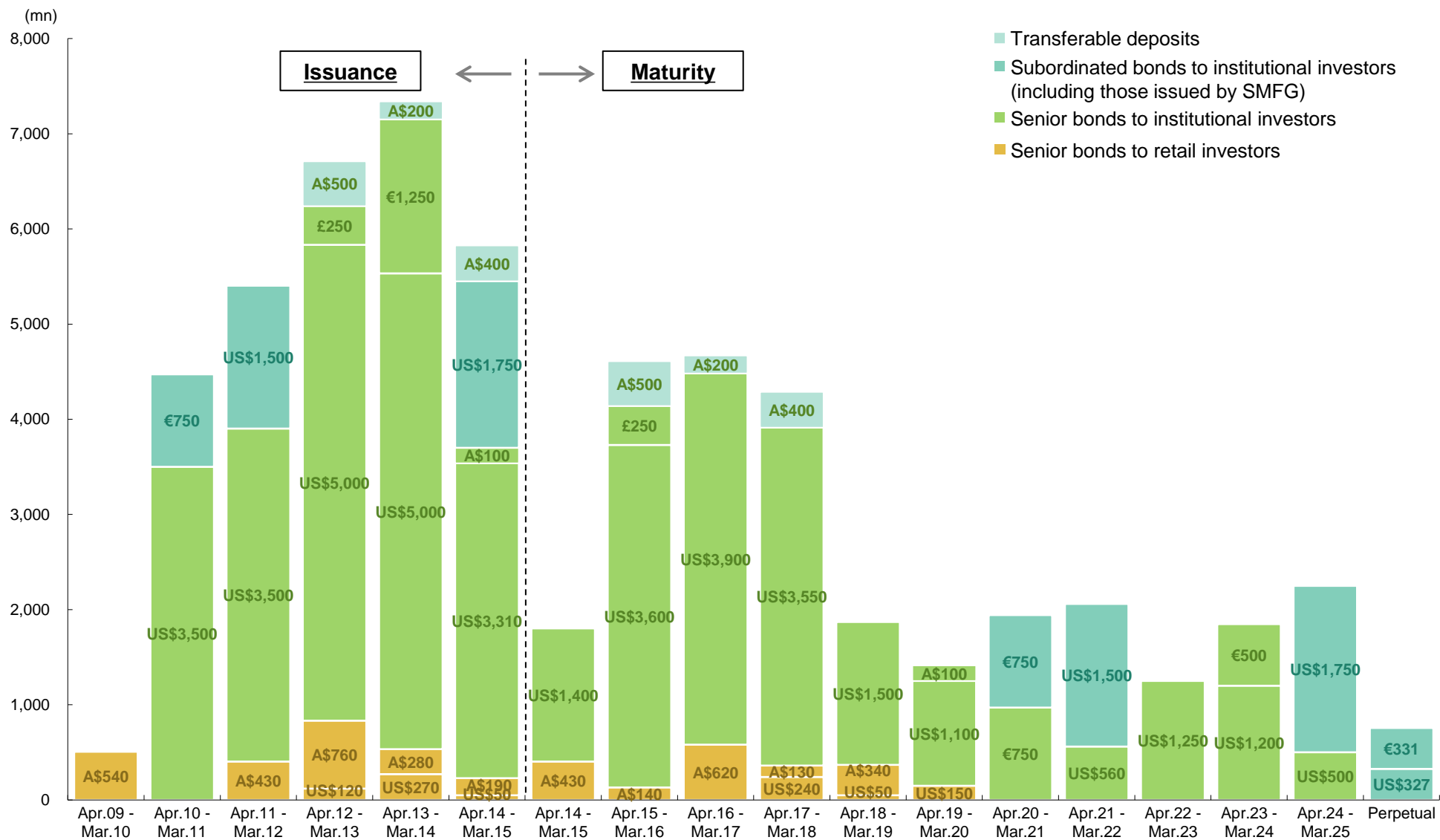
7-year EUR senior bonds (SUMIBK 2.25% 2020)



EUR senior secondary comps (Z spread) - Since Nov. 2012



Capital markets funding profile*



* Excludes JPY funding

Long-term capital markets funding since 2010

Issue date	Sub/Senior	Format	Tenor	Maturity date	Amount (mn)	Coupon	Spread* 1	Ticker
USD denominated								
Jul. 22, 2010	Senior	144A/RegS	3 years	Jul. 22, 2013	USD 1,000	2.15%	+118bp	SUMIBK 2.15 Corp
			5 years	Jul. 22, 2015	USD 1,000	3.15%	+137.5bp	SUMIBK 3.15 Corp
Jan. 14, 2011	Senior	144A/RegS	3 years	Jan. 14, 2014	USD 650	1.95%	+90bp	SUMIBK 1.95 Corp(01/14/14)
			5 years	Jan. 14, 2016	USD 850	3.10%	+103bp	SUMIBK 3.1 Corp
Jul. 22, 2011	Senior	144A/RegS	3 years	Jul. 22, 2014	USD 400	1.90%	+130bp	SUMIBK 1.9 Corp (07/22/14)
			3 years	Jul. 22, 2014	USD 500	LIBOR+0.95%	LIBOR+0.95%	SUMIBK Float 07/22/14 Corp
			5 years	Jul. 22, 2016	USD 1,100	2.90%	+150bp	SUMIBK 2.9 Corp
Jan. 12, 2012	Senior	144A/RegS	3 years	Jan. 12, 2015	USD 500	1.90%	+155bp	SUMIBK 1.9 Corp (01/12/15)
			5 years	Jan. 12, 2017	USD 500	2.65%	+180bp	SUMIBK 2.65 Corp
			10 years	Jan. 12, 2022	USD 500	3.95%	+200bp	SUMIBK 3.95 Corp (01/12/22)
Mar. 1, 2012	Sub	RegS	10 years	Mar. 1, 2022	USD 1,500	4.85%	+285bp	SUMIBK 4.85 Corp
Jul. 18, 2012	Senior	3(a)(2)	3 years	Jul. 18, 2015	USD 1,000	1.35%	+100bp	SUMIBK 1.35 Corp(07/18/15)
			5 years	Jul. 18, 2017	USD 1,250	1.80%	+120bp	SUMIBK 1.8 Corp
			10 years	Jul. 18, 2022	USD 750	3.20%	+170bp	SUMIBK 3.2 Corp
Jan. 18, 2013	Senior	3(a)(2)	3 years	Jan. 18, 2016	USD 750	0.90%	+58bp	SUMIBK 0.9 Corp
			5 years	Jan. 18, 2018	USD 750	1.50%	+77bp	SUMIBK 1.5 Corp(01/18/18)
			10 years	Jan. 18, 2023	USD 500	3.00%	+117bp	SUMIBK 3 Corp
Mar. 25, 2013	Senior	Domestic Retail	5 years	Mar. 12, 2018	USD 120	1.21%	--	SUMIBK 1.21 Corp
Jun. 24, 2013	Senior	Domestic Retail	6 years	Jun. 13, 2019	USD 150	1.88%	--	SUMIBK 1.88 Corp
Jul. 19, 2013	Senior	3(a)(2)	3 years	Jul. 19, 2016	USD 500	1.45%	+85bp	SUMIBK 1.45 Corp
			3 years	Jul. 19, 2016	USD 300	LIBOR+0.67%	LIBOR+0.67%	SUMIBK Float 07/19/16 Corp
			5 years	Jul. 19, 2018	USD 500	2.50%	+115bp	SUMIBK 2.5 Corp
			10 years	Jul. 19, 2023	USD 700	3.95%	+140bp	SUMIBK 3.95 Corp (07/19/23)
Jan. 10, 2014	Senior	3(a)(2)	3 years	Jan. 10, 2017	USD 750	1.30%	+55bp	SUMIBK 1.3 Corp
			3 years	Jan. 10, 2017	USD 750	LIBOR+0.43%	LIBOR+0.43%	SUMIBK Float 01/10/17 Corp
			5 years	Jan. 10, 2019	USD 1,000	2.45%	+80bp	SUMIBK 2.45 Corp
			10 years	Jan. 10, 2024	USD 500	3.95%	+105bp	SUMIBK 3.95 Corp (01/10/24)
Mar. 10, 2014	Senior	Domestic Retail	5 years	Mar. 11, 2019	USD 120	1.85%	--	SUMIBK 1.85 Corp
Apr. 2, 2014	Sub(SMFG)	144A/RegS	10 years	Apr. 2, 2024	USD1,750	4.436%	+175bp	SUMIBK 4.436(04/02/24)
May 8, 2014	Senior	Private Placement	15 years	May 8, 2029	USD 100	4.13%	--	SUMIBK 4.13 Corp (05/08/29)
Jun. 5, 2014	Senior	Private Placement	3 years	Jun. 5, 2017	USD 50	LIBOR+0.37%	LIBOR+0.37%	SUMIBK Float 06/05/17 Corp
Jun. 9, 2014	Senior	Private Placement	7 years	Jun. 9, 2021	USD 30	2.80%	--	SUMIBK 2.8 Corp(06/09/21)
Jun. 10, 2014	Senior	Private Placement	7 years	Jun. 10, 2021	USD 30	2.808%	--	SUMIBK 2.808 Corp
Jun. 11, 2014	Senior	Private Placement	5 years	Jun. 11, 2019	USD 100	LIBOR+0.52%	LIBOR+0.52%	SUMIBK Float 06/11/19 Corp
Jul. 11, 2014	Senior	3(a)(2)	3 years	Jul. 11, 2017	USD 1,000	1.35%	+45bp	SUMIBK 1.35 Corp (07/11/17)
			3 years	Jul. 11, 2017	USD 500	LIBOR+0.32%	LIBOR+0.32%	SUMIBK Float 07/11/17 Corp
			5 years	Jul. 11, 2019	USD 1,000	2.25%	+60bp	SUMIBK 2.25 Corp (07/11/19)
			10 years	Jul. 11, 2024	USD 500	3.40%	+85bp	SUMIBK 3.4 Corp(07/11/24)

*1 Spread over US Treasury except for Euro denominated bonds (over Mid Swap), AUD denominated bonds(over BBSW) and HKD denominated bonds(over HIHD)

* Gray background bonds mean that the bonds have already been redeemed

Long-term capital markets funding since 2010 (cont'd)

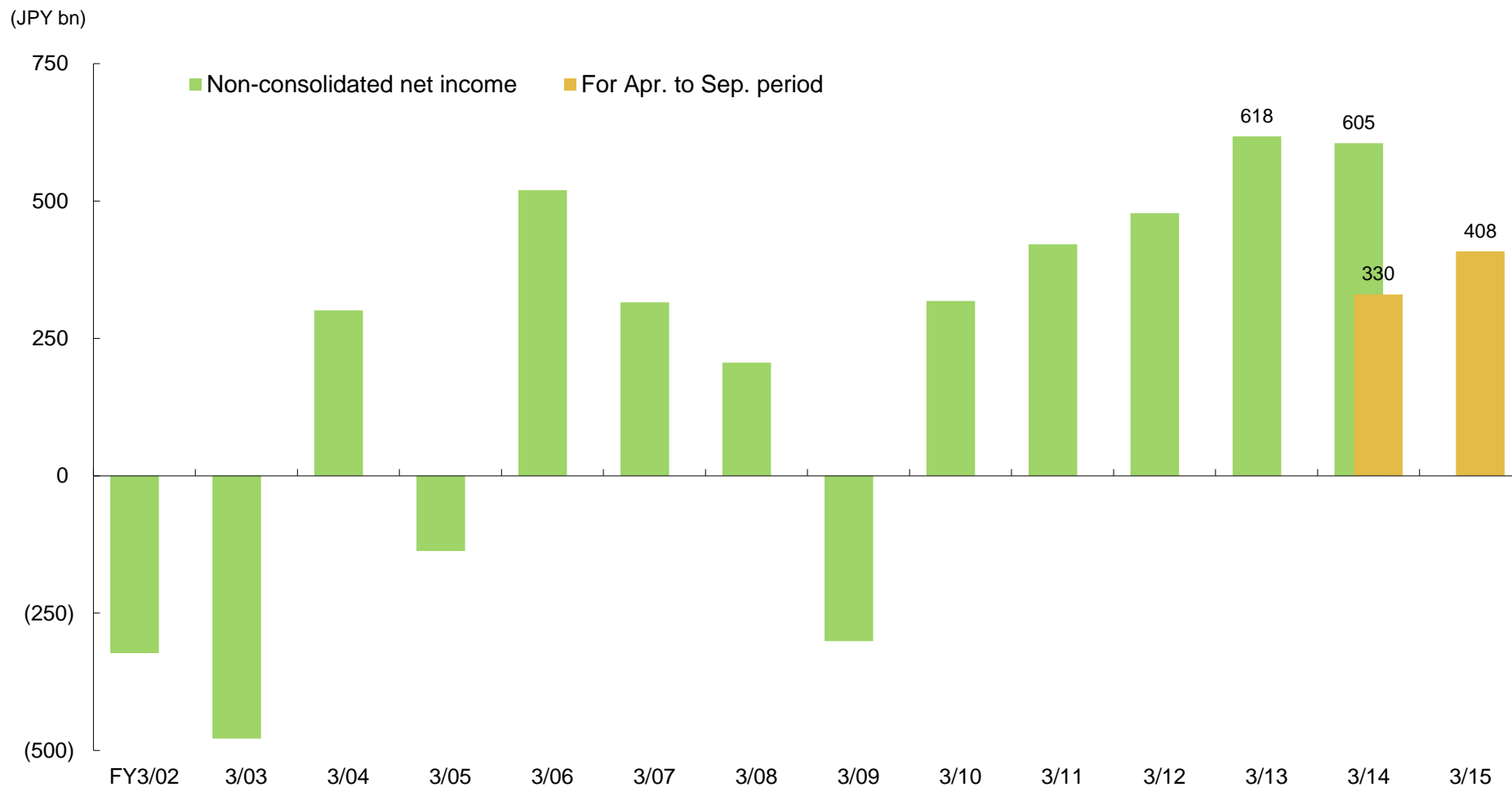
Issue date	Sub/ Senior	Format	Tenor	Maturity date	Amount (mn)	Coupon	Spread* 1	Ticker
USD denominated								
Dec. 29, 2014	Senior	Domestic Retail	4 years	Dec. 5, 2018	USD 50	1.67%	--	SUMIBK 1.67 Corp
GBP denominated								
Mar. 18, 2013	Senior	RegS (EMTN)	3 years	Mar. 18, 2016	GBP 250	LIBOR+0.55%	LIBOR+0.55%	SUMIBK Float 03/18/16 Corp
Euro denominated								
Nov. 9, 2010	Sub	144A/RegS	10 years	Nov. 9, 2020	Euro 750	4.00%	+130bp	SUMIBK 4 Corp
Jul. 24, 2013	Senior	RegS (EMTN)	10 years	Jul. 24, 2023	Euro 500	2.75%	+98bp	SUMIBK 2.75 Corp(07/24/23)
Dec. 16, 2013	Senior	RegS (EMTN)	7 years	Dec. 16, 2020	Euro 750	2.25%	+78bp	SUMIBK 2.25 Corp(12/16/20)
AUD denominated								
Mar. 16, 2010	Senior	Domestic Retail	3 years	Mar. 14, 2013	AUD 540	5.76%	--	SUMIBK 5.76 Corp
Dec. 21, 2011	Senior	Domestic Retail	3 years	Dec. 18, 2014	AUD 430	4.28%	--	SUMIBK 4.28 Corp
Jun. 21, 2012	Senior	Domestic Retail	4 years	Jun. 21, 2016	AUD 420	4.07%	--	SUMIBK 4.07 Corp
Dec. 19, 2012	Senior	Domestic Retail	4 years	Dec. 19, 2016	AUD 200	3.47%	--	SUMIBK 3.47 Corp
Feb. 26, 2013	Senior	TCD	3 years	Feb. 26, 2016	AUD 500	BBSW+0.78%	BBSW+0.78%	SUMIBK Float 02/26/16 Corp
Mar. 25, 2013	Senior	Domestic Retail	3 years	Mar. 1, 2016	AUD 140	3.29%	--	SUMIBK 3.29 Corp
Jun. 24, 2013	Senior	Domestic Retail	4 years	Jun. 13, 2017	AUD 130	3.45%	--	SUMIBK 3.45 Corp
Nov. 7, 2013	Senior	TCD	3 years	Nov. 7, 2016	AUD 200	BBSW+0.77%	BBSW+0.77%	SUMIBK Float 11/07/16 Corp
Mar. 10, 2014	Senior	Domestic Retail	5 years	Mar. 11, 2019	AUD 150	4.13%	--	SUMIBK 4.13 Corp(03/11/19)
Sep. 4, 2014	Senior	TCD	3 years	Sep. 4, 2017	AUD 400	BBSW+0.68%	BBSW+0.68%	SUMIBK Float 09/04/17 Corp
Sep. 16, 2014	Senior	Private Placement	5 years	Sep. 16, 2019	AUD 100	3.875%	--	SUMIBK 3.875 Corp
Dec. 29, 2014	Senior	Domestic Retail	4 years	Dec. 5, 2018	AUD 190	3.12%	--	SUMIBK 3.12 Corp(12/05/18)
HKD denominated								
Feb. 12, 2014	Senior	CD	3 years	Feb. 13, 2017	HKD 220	1.35%	--	SUMIBK 1.35 Corp(02/13/17)
Feb. 14, 2014	Senior	CD	3 years	Feb. 14, 2017	HKD 123	1.35%	--	SUMIBK 1.35 Corp(02/14/17)
Jul. 31, 2014	Senior	CD	3 years	Jul. 31, 2017	HKD 561	1.56%	--	SUMIBK 1.56 Corp(07/31/17)
Aug. 29, 2014	Senior	CD	3 years	Aug. 29, 2017	HKD 200	1.50%	--	SUMIBK 1.50 Corp(08/29/17)

*1 Spread over US Treasury except for Euro denominated bonds (over Mid Swap), AUD denominated bonds(over BBSW) and HKD denominated bonds(over HIHD)

* Gray background bonds mean that the bonds have already been redeemed

Trend of bottom line profits

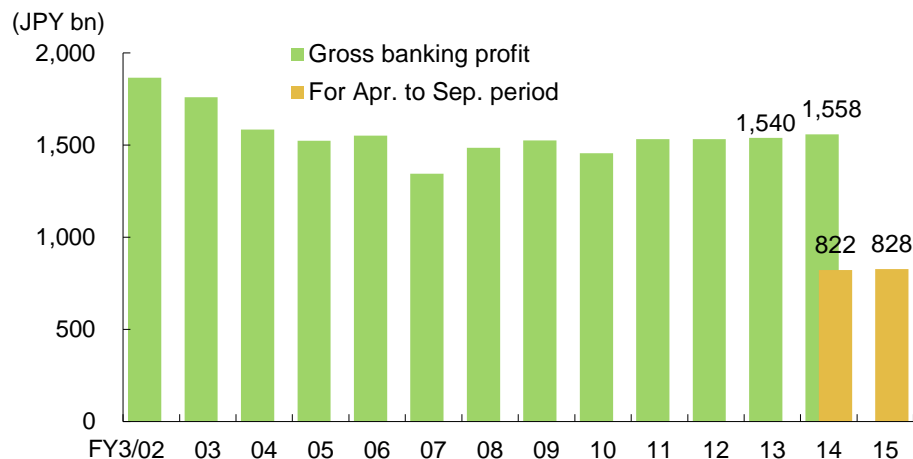
SMBC's non-consolidated net income



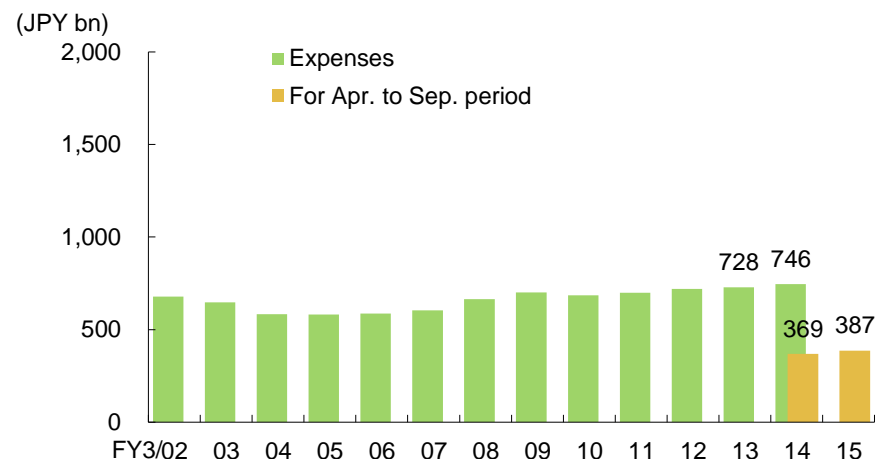
Trend of major income components

(SMBC non-consolidated)

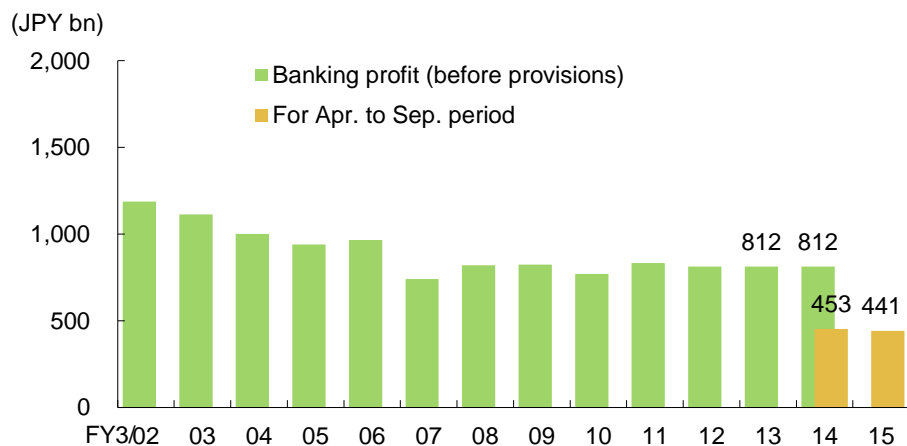
Gross banking profit



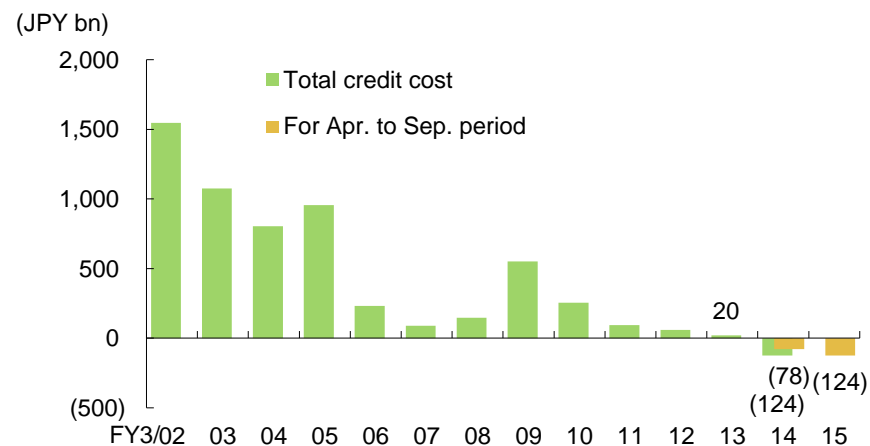
Expenses



Banking profit (before provisions)



Total credit cost



■ Performance by business unit*1

				(JPY bn)	FY3/2014		1H, FY3/2015		YOY change ^{*2}
				1H, FY3/2014					
	Wholesale Banking Unit		Gross banking profit	274.2	558.5	262.5	(12.4)		
			Expenses	(98.7)	(200.7)	(102.0)	(1.7)		
			Banking profit (before provisions)	175.5	357.8	160.5	(14.1)		
	Retail Banking Unit		Gross banking profit	197.4	405.4	185.8	(11.6)		
			Expenses	(166.7)	(336.4)	(169.7)	(3.5)		
			Banking profit (before provisions)	30.7	69.0	16.1	(15.1)		
	International Banking Unit		Gross banking profit	140.2	296.0	166.7	+12.5		
			Expenses	(45.0)	(89.1)	(50.2)	(4.2)		
			Banking profit (before provisions)	95.2	206.9	116.5	+8.3		
	Marketing Units		Gross banking profit	611.8	1,259.9	615.0	(11.5)		
			Expenses	(310.4)	(626.2)	(321.9)	(9.4)		
			Banking profit (before provisions)	301.4	633.7	293.1	(20.9)		
Treasury Unit		Gross banking profit	232.3	325.5	211.0	(21.3)			
		Expenses	(11.5)	(22.9)	(12.7)	(0.5)			
		Banking profit (before provisions)	220.8	302.6	198.3	(21.8)			
Headquarters		Gross banking profit	(22.3)	(27.3)	1.8	+38.8			
		Expenses	(46.7)	(96.6)	(52.3)	(8.4)			
		Banking profit (before provisions)	(69.0)	(123.9)	(50.5)	+30.4			
Total		Gross banking profit	821.8	1,558.1	827.8	+6.0			
		Expenses	(368.6)	(745.7)	(386.9)	(18.3)			
		Banking profit (before provisions)	453.2	812.4	440.9	(12.3)			

*1 SMBC non-consolidated. Managerial accounting basis

*2 After adjustment of interest rates, exchange rates, etc.

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

New medium-term management plan - FY2014 to 2016

Vision for the next decade

We will become a global financial group that, by earning the highest trust of our customers, leads the growth of Japan and the Asian region

- We will become a truly Asia-centric institution
- We will develop the best-in-class earnings base in Japan
- We will realize true globalization and continue to evolve our business model

Three-year management goals

- Develop and evolve client-centric business models for main domestic and international businesses
- Build a platform for realizing Asia-centric operations and capture growth opportunities
- Realize sustainable growth of top-line profit while maintaining soundness and profitability
- Upgrade corporate infrastructure to support next stage of growth

Summary of new medium-term management plan

- speedy and effective implementation of growth strategies

- Implemented some growth strategies ahead of the new medium-term management plan
- Execute new strategies and reallocate resources speedily and boldly - traits of SMFG/SMBC

Review of the previous
medium-term management plan

Achievements

- Strengthened capital base
- Actively increased overseas assets
- Increased profits of group companies

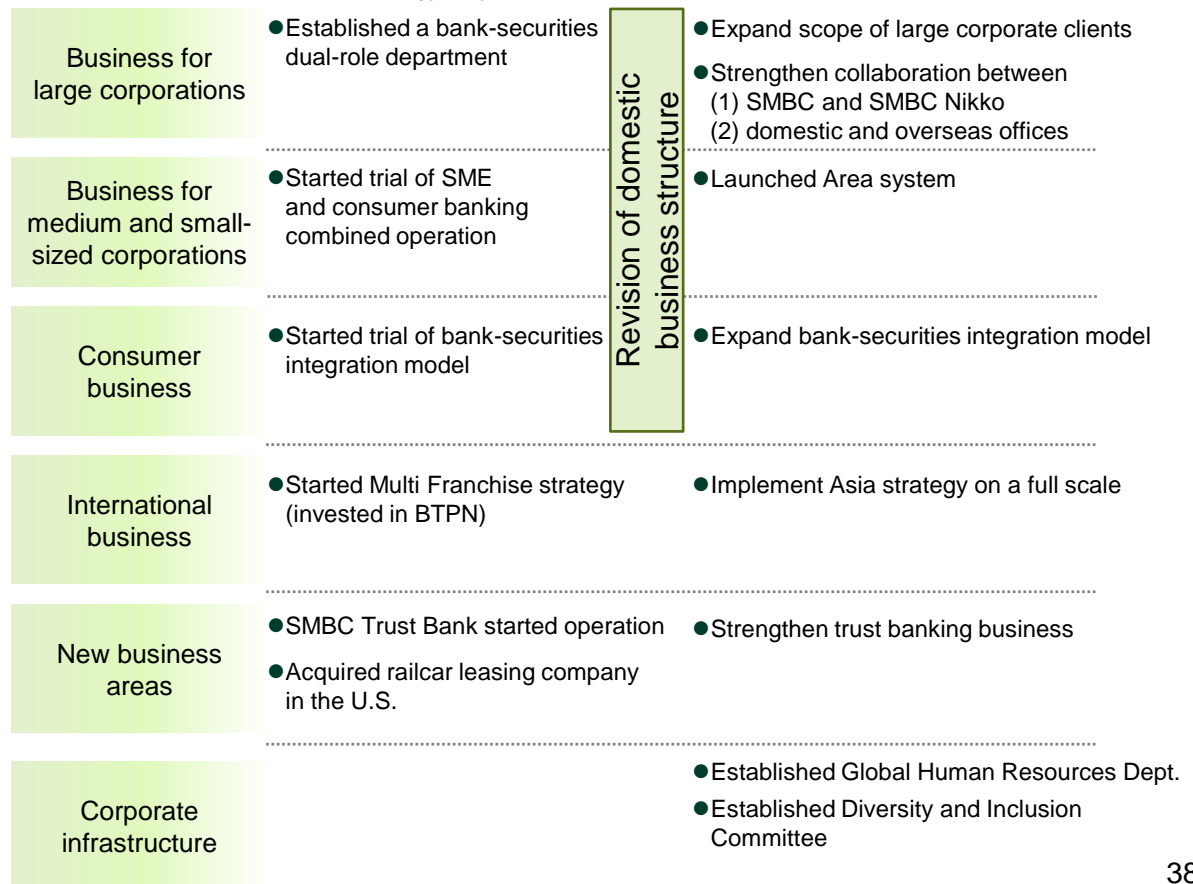
Challenges

- Establish business models from mid- to long-term perspectives
- Review each business portfolio
- Expand customer base

Started ahead of
the new plan 【FY3/14】

Full-scale implementation
in concurrence with the start
of the new plan 【FY3/15 - FY3/17】

Based on the discussion of
“Growth strategy project” (FY3/13)



International business

- products with competitive advantages

Project Finance

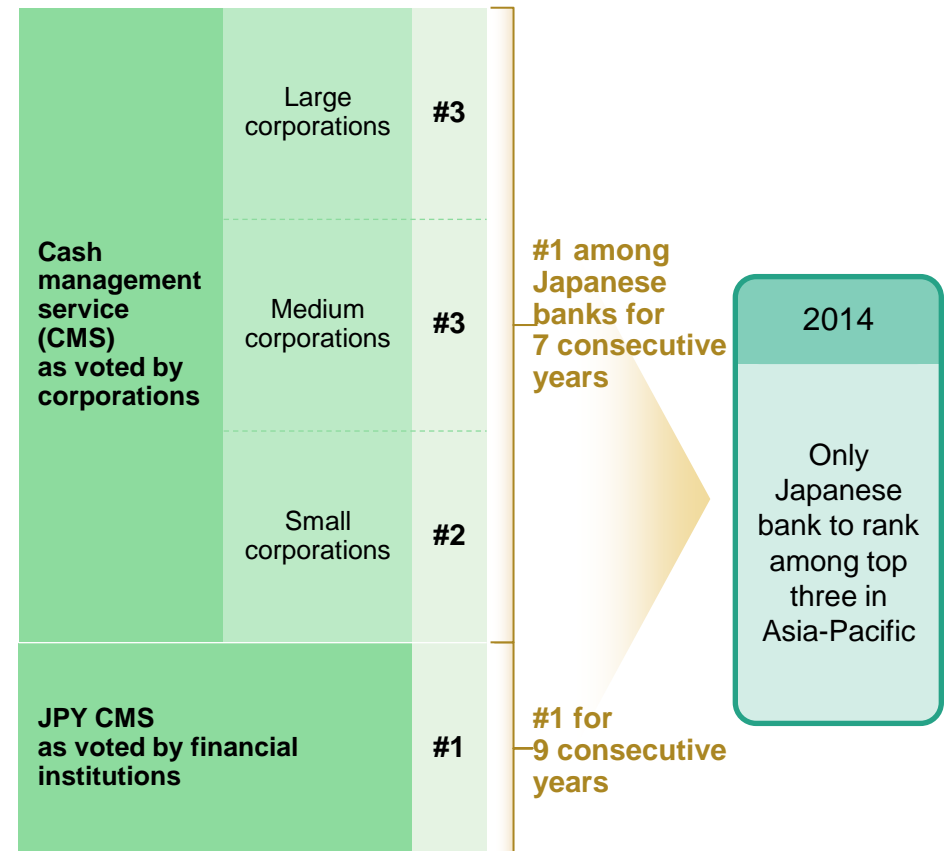
- Team with high expertise committed to obtain mandates
- Leverage relationships with customers and ECAs to work on transactions with both Japanese and non-Japanese sponsors

League tables (Jan. – Sep. 2014)*1

	Global	Asia*2	Japan
Project Finance	#1	#1	
Loan Syndication	#12	#4	#2

Cash management service

Cash management providers' ranking (in Asia Pacific)*3



*1 Source: Thomson Reuters (Mandated Arrangers)

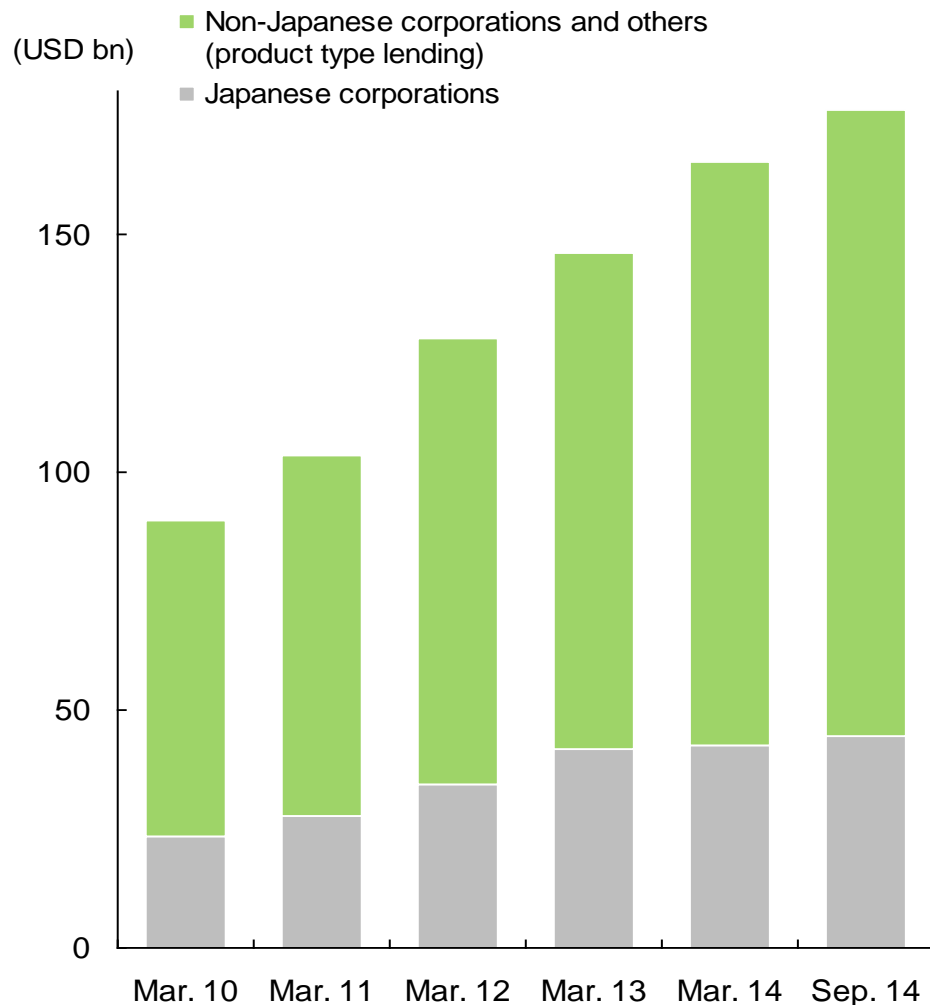
*2 Project finance: Asia Pacific. Loan syndication: Asia (excl. Japan), all international currency syndicated and club loans

*3 Source: "ASIAMONEY" cash management poll (published Aug. 2014)

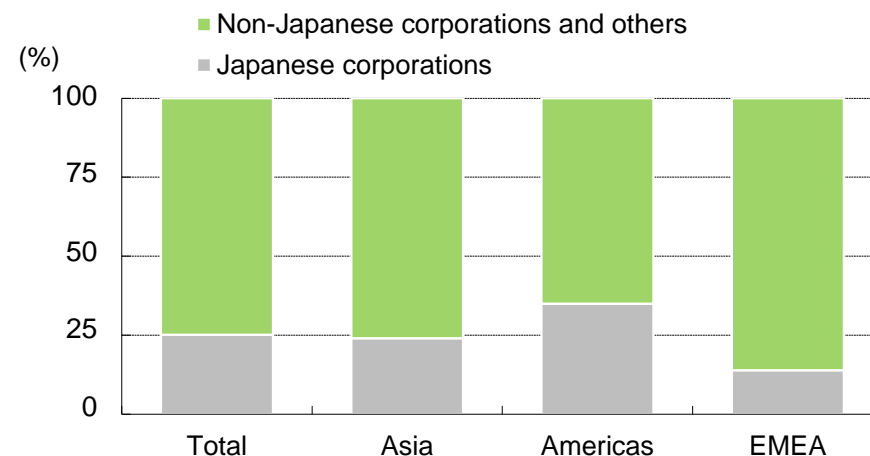
Overseas loan balance classified by borrower type

(Geographic classification based on booking office)

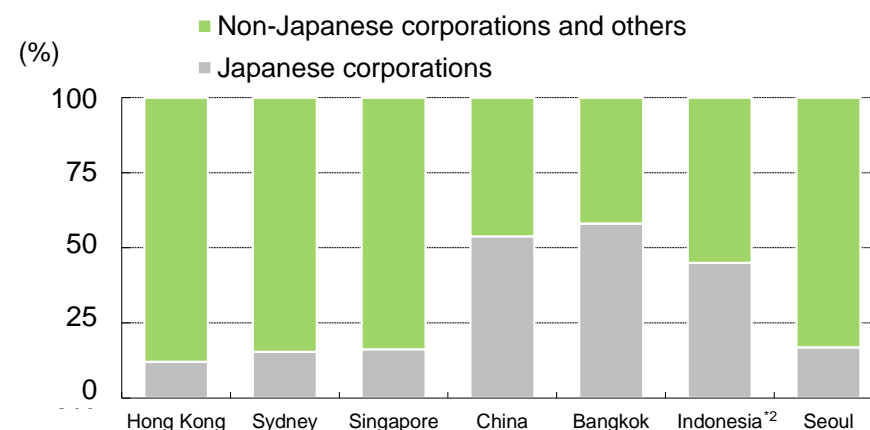
Total*¹



By region (Sep. 2014)*¹



Major marketing channels in Asia (Sep. 2014)*¹



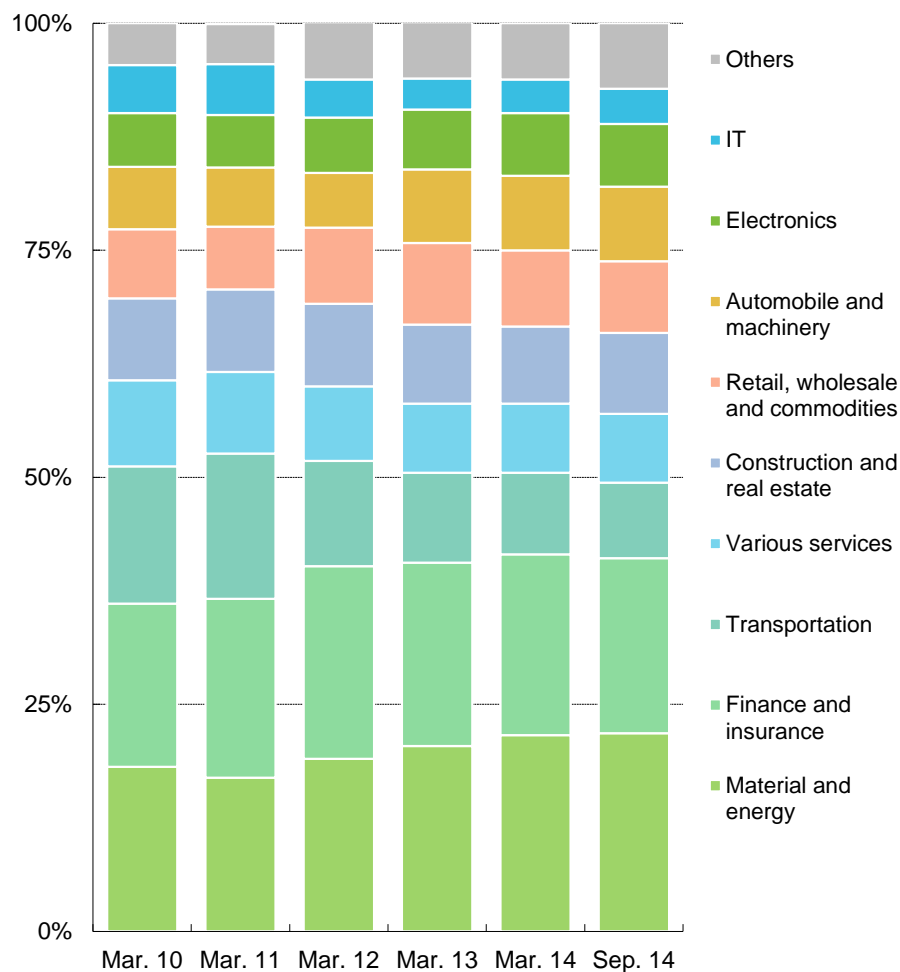
*¹ Managerial accounting basis, converted at respective period-end FX rates. Sum of SMBC, SMBC Europe and SMBC (China)

*² Sum of SMBC and SMBC Indonesia

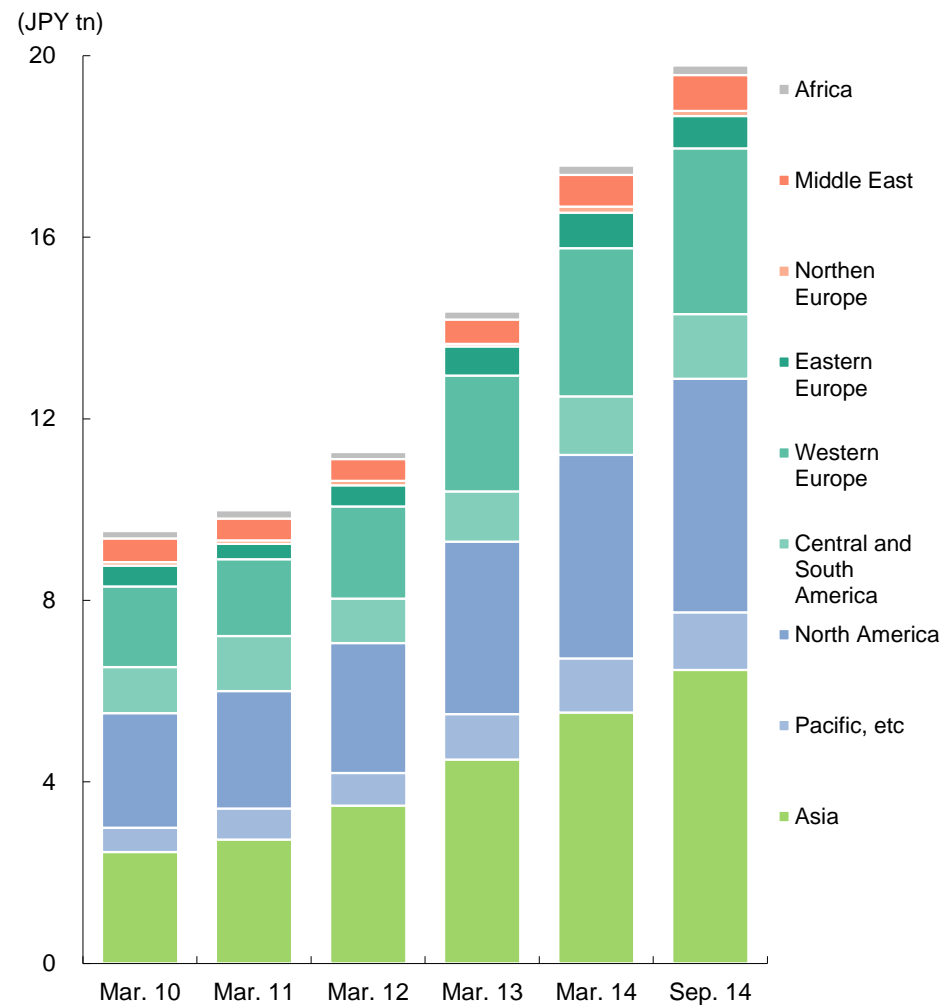
Overseas loan balance classified by industry and domicile

(Geographic classification based on domicile of borrowers)*

By industry



By domicile

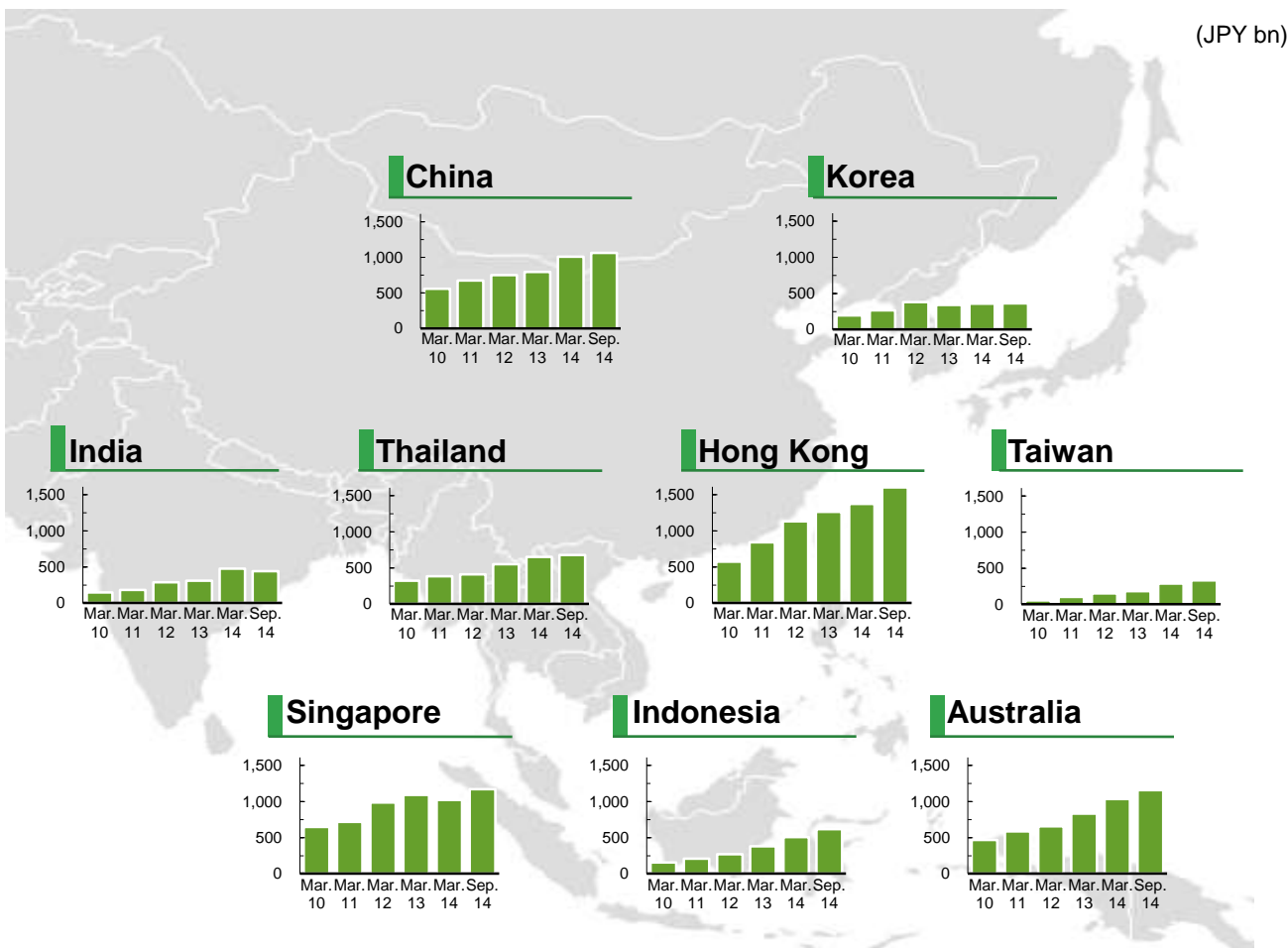


* Managerial accounting basis, converted at respective period - end FX rates. Sum of SMBC, SMBC Europe and SMBC (China)

International business - our footprint in Asia

Loan balance in Asian countries

(Geographic classification based on domicile of borrowers)*1



Strategic partners*2

China	Bank of China
	Industrial and Commercial Bank of China
	Agricultural Bank of China
Korea	<u>Kookmin Bank</u>
Taiwan	First Commercial Bank
Hong Kong	<u>Bank of East Asia</u>
Philippines	Metrobank
Vietnam	<u>Vietnam Eximbank</u>
Malaysia	RHB Bank
Indonesia	<u>Bank Tabungan Pensiunan Nasional</u>
	Bank Central Asia
Cambodia	<u>ACLEDA Bank</u>
India	<u>Kotak Mahindra Bank</u>

*1 Sum of SMBC, SMBC Europe, SMBC (China) and SMBC Indonesia. Loan balances are calculated in JPY from each country's local currency at the exchange rate as of Sep. 30, 2014

*2 SMBC has an equity stake in the underlined banks

Asian strategy: Multi-Franchise strategy

- Aim to establish “second or third” SMBC, accelerating the development of full-line banking services in Indonesia and Vietnam via organic and inorganic growth

Key points of Multi-Franchise strategy

Full bank

Localization

Commitment

Indonesia

Vietnam

Other countries

Large Corporations

Medium-sized corporations

SMEs / Retail

Overseas offices

bank
btpn

EXIMBANK

Indonesia

SMBC Indonesia

- Upgraded administrative system geared towards expansion of business operations and increased personnel last year
- Will be on a business expansion phase going forward

BTPN

- SMBC acquired 40% stake
- Will promote collaboration with SMFG group

Vietnam

Vietnam Eximbank

- Collaborates with Cedyna in auto loan business
- SMBC provides support in risk management and planning of measures to increase revenue

Investment in BTPN / Vietnam Eximbank

BTPN

Investment overview*

- Acquired 24.26% stake in May 2013 (IDR 6,500 per share)
- Increased ownership to 40% (approx. USD 1.5 bn in total) in March 2014
- An equity method affiliate of SMBC

Overview of BTPN

- Established in 1958 to serve retired military personnel through pension banking services
- Ranked 6th by market cap. among Indonesian banks

Asset



Pension banking

Loans to pension recipients



Micro-financing

Loans to small shop owners

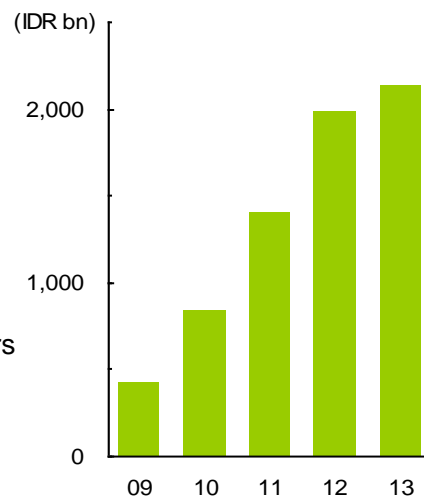
Liability



Deposit taking

Focus on wealthy customers

Consolidated net income



Vietnam Eximbank

Investment overview

- Acquired 15% stake in May 2008
- An equity method affiliate of SMBC
- SMBC delegates one board member and staff

Business alliance

- SMBC collaborates and provides technical assistance for retail and wholesale banking, risk management, IT, etc.
 - Technical assistance
 - Employee training
 - IT system
 - Risk management
 - Business collaboration
 - Introduce Japanese corp. to acquire employees' accounts
 - Collaborate to provide cash management service
 - Collaboration with Cedyna (auto loan)
 - Promote business matching



■ SMBC Aviation Capital

SMBC Aviation Capital

Initiatives

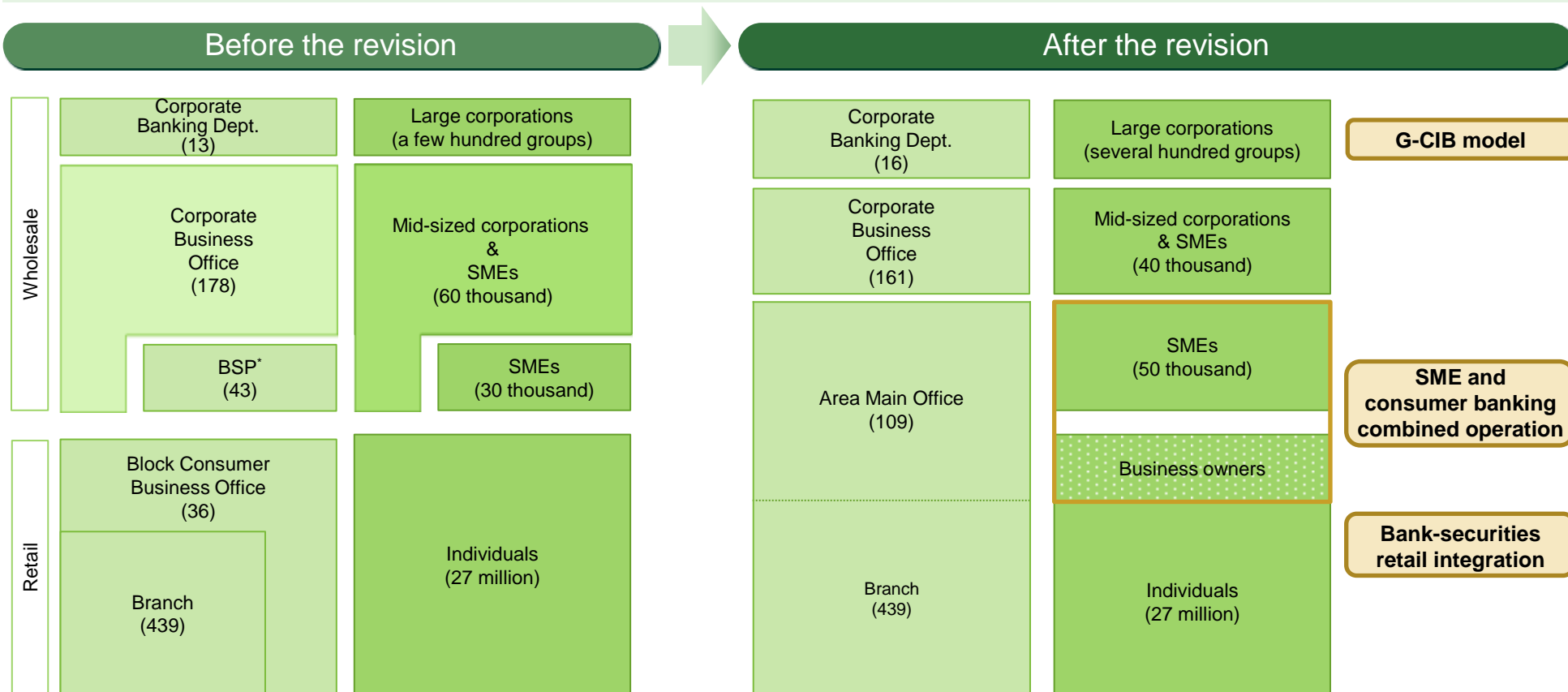
- Integrated SMBC's aircraft finance related businesses into Global Aircraft Finance Dept. (established in April 2014) to promote collaboration within SMFG group
- Plan to develop the “buy and sell” business model where purchases are based on careful planning in advance and sales are completed in a flexible and timely manner, in an aim to build a sustainable profit structure
- Signed a contract with Airbus SAS in July 2014 to purchase 115 aircraft, which will be delivered between 2016 and 2022
- Signed a contract with The Boeing Company in November 2014 to purchase 80 aircraft, which will be delivered between 2018 and 2022

Ranking by number of owned and managed aircraft*

	Aircraft leasing company	Nationality	No. of aircraft
1	GECAS	U.S.	1,692
2	ILFC	U.S.	1,009
3	SMBC AC	Ireland	344
4	BBAM	U.S.	330
5	AerCap	Netherlands	311
6	CIT Aerospace	U.S.	272
7	AWAS	Ireland	270
8	Aviation Capital Group	U.S.	256

■ Revision of domestic business structure (SMBC)

- Reviewed client segmentation and fully revised domestic business structure in April 2014, for the first time since establishment of SMBC
- Effectively allocate our resources into large corporates, business/asset succession and investment products sales businesses



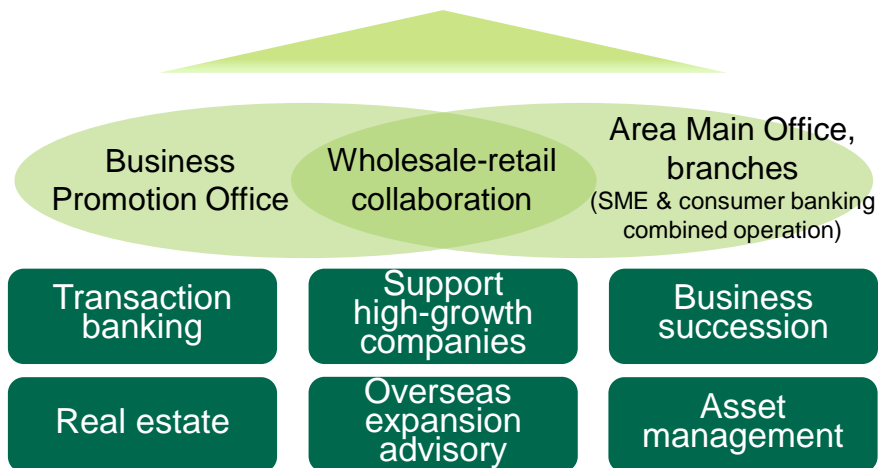
Wholesale business - middle market & SME business

- Continue to improve SMBC's strength in middle market and SME business by enhancing capability to respond accurately to clients' needs

Middle market and SME business

- Middle market: provide tailored responses to clients through enhanced client relationship management structures
- SMEs: comprehensively address needs of business owners including business succession and asset management through one-stop-services under the new Area system; enhance speed and quality of response by measures such as expanding use of standardized credit assessment model

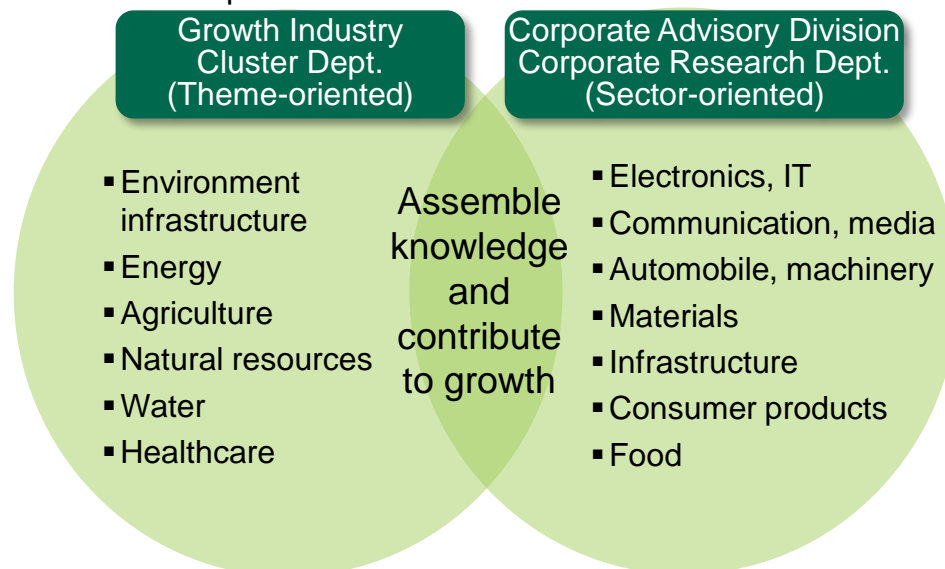
Middle market & SME clients



- Proactively contribute to the growth and development of the Japanese economy by financially supporting growth industries and companies

Growth areas

- Actively participate in national projects such as "Japan Revitalization Strategy" and concession projects by leveraging the unique strengths of the Growth Industry Cluster Dept.

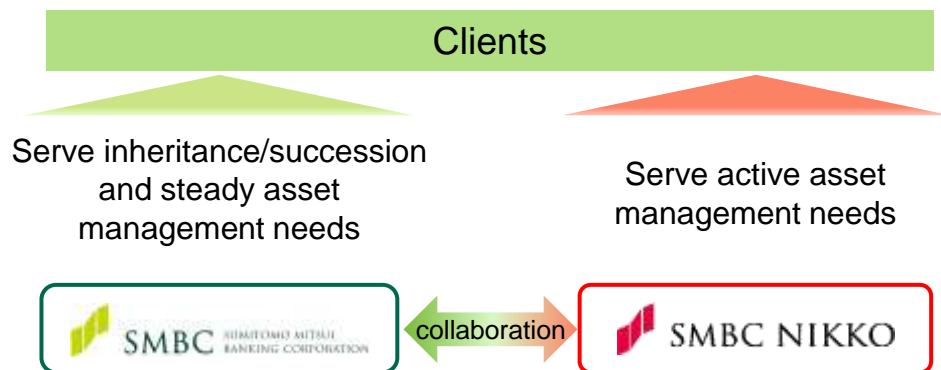


Solar energy equipment leasing



Bank-securities retail integration

Business model

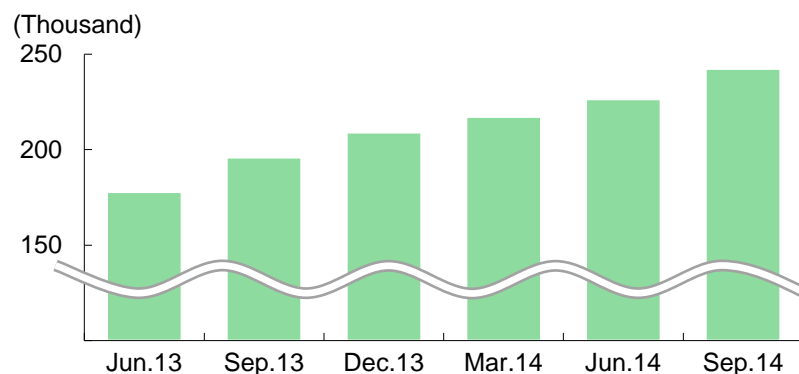


No. of offices for bank-securities integration

- Expanded the model to all offices in Jul. 2014

	May 2013-	Oct. 2013-	May 2014-	Jul. 2014- all offices
SMBC	15	31	265	548
SMBC Nikko	10	22	112	121 ^{*2}

No. of individual accounts opened at SMBC Nikko through bank-securities collaboration^{*1}



^{*1} Number of accounts of individual customers at the end of each quarter which were opened at SMBC Nikko via referral or financial instruments intermediary services from SMBC to SMBC Nikko. Includes accounts transferred from SMBC Friend Securities to SMBC Nikko in Jan. 2011 on integrating SMBC Friend's collaborative business with SMBC into SMBC Nikko

^{*2} As of Dec. 30, 2014

Establishment of branches (SMBC Nikko)



- Develop branch network to respond to the full-scale expansion of bank-securities retail integration
- Established 12 branches between Feb. 2014 and Dec. 2014.

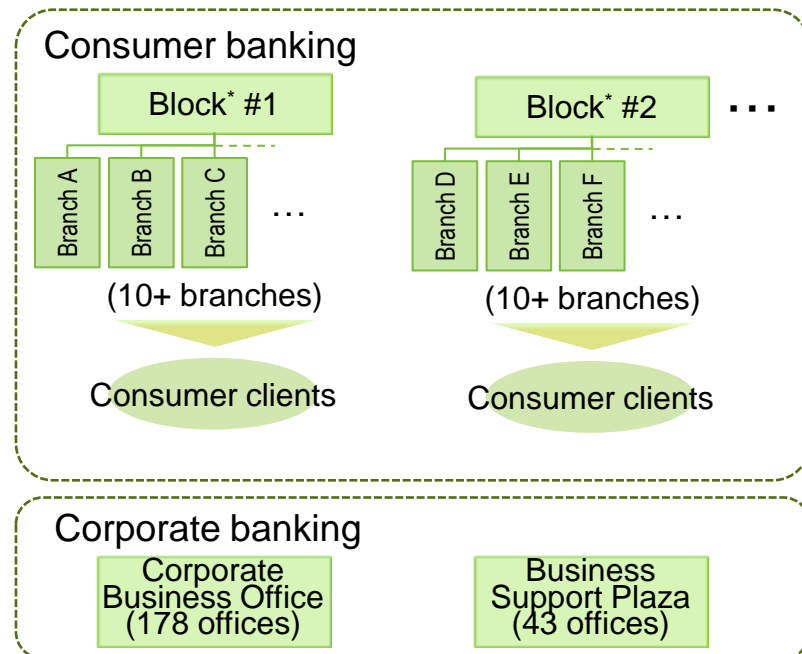
Retail business

- establish a consolidated business through Area system

- Implement a community-based area marketing strategy under the newly launched Area system
- Expand business opportunities with business owners by leveraging inheritance and succession advisory services. Effectively expand our client base through bank-securities integration model

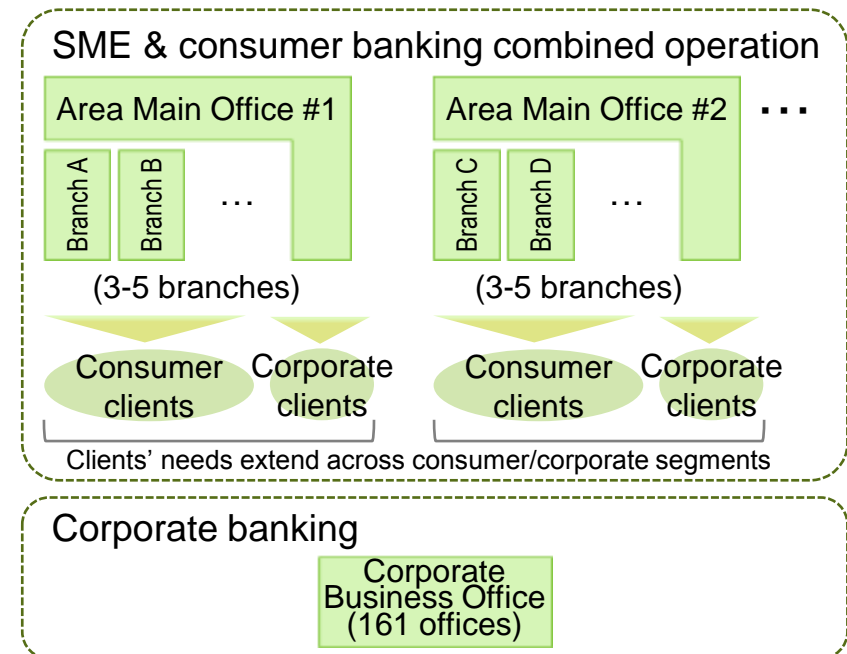
Before the revision

- “Block” system: branches were overseen by 36 Block Consumer Business Offices
- Block Consumer Business Offices took the initiative with business promotion and supervision of branches with respect to the designated “block”



After the revision

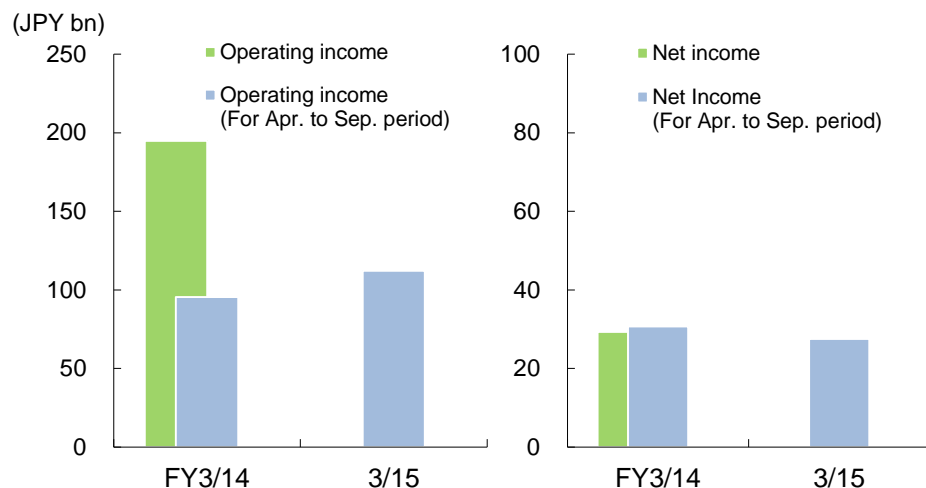
- “Area” system: branches are grouped into 109 Areas; BSPs* were merged into Area Main Offices
- Area Main Offices mainly promote SME and consumer banking combined operation
- Area Main Offices and branches maintain close relationships with clients



* Block: Block Consumer Promotion Office, BSP: Business Support Plaza

SMBC Consumer Finance

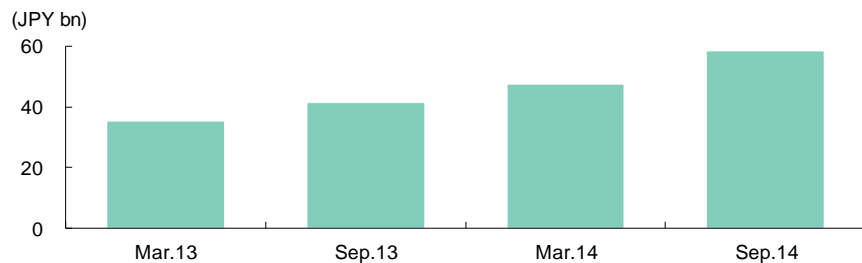
Consolidated operating income and net income



Overseas business

- Started operation in Shanghai in Oct. 2014

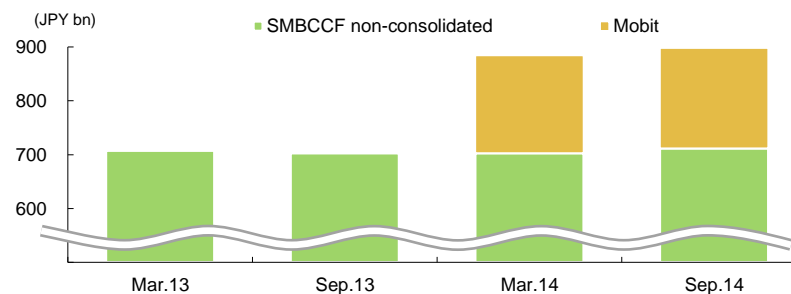
Consumer loans outstanding (overseas)*



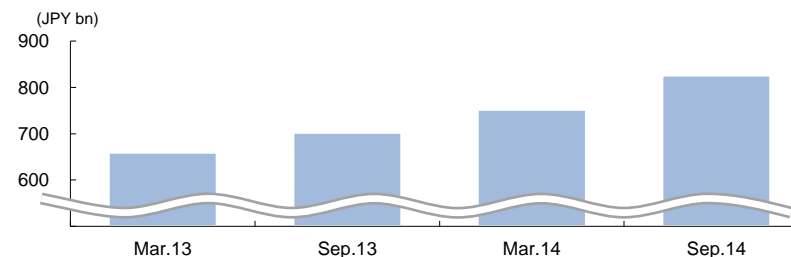
* Aggregate of overseas subsidiaries. Converted into Japanese yen at period-end FX rate

Financing / Loan guarantee business

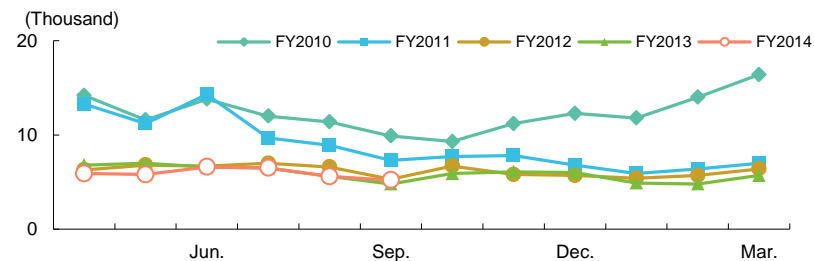
Consumer loans outstanding (domestic)



Loan guarantee amount



No. of interest refund claims



SMBC Nikko Securities

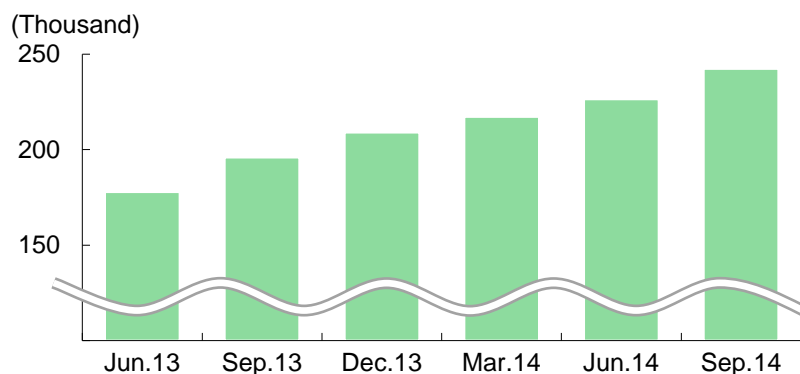
Financial results (consolidated)

(JPY bn)	1H, FY3/2014	FY3/2014	1H, FY3/2015	YOY change
Net operating revenue	180.6	327.9	145.2	(35.4)
SG&A expenses	(116.1)	(227.8)	(110.0)	+6.1
Ordinary income	65.3	102.1	36.5	(28.8)
Net income	41.2	64.6	24.0	(17.2)

Bank-securities collaboration

- Expanded "bank-securities integration model" to all offices in Jul. 2014

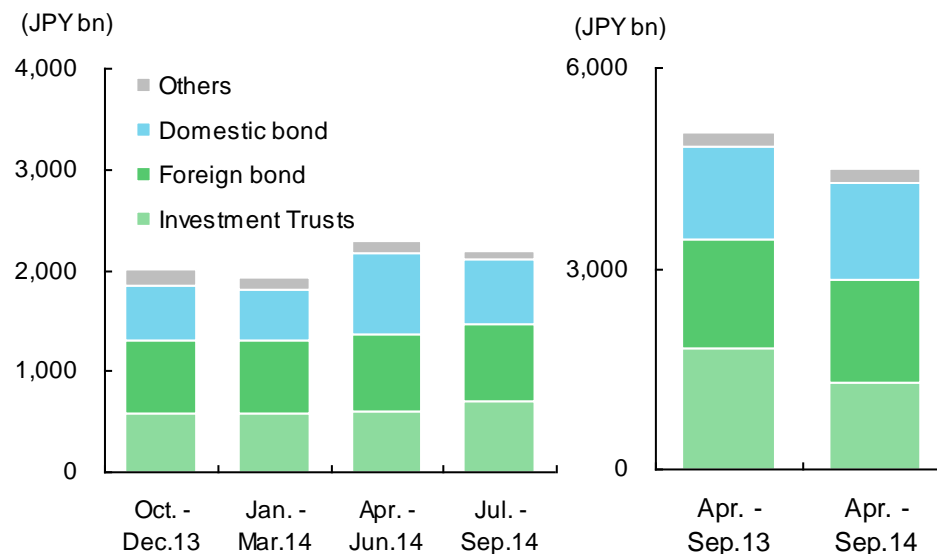
No. of individual accounts opened at SMBC Nikko through bank-securities collaboration^{*4}



League tables (Apr. - Sep. 2014)

	Rank	Mkt share
Global equity & equity-related (book runner, underwriting amount)^{*1}	#2	17.8%
JPY denominated bonds (lead manager, underwriting amount)^{*2}	#4	16.1%
Financial advisor (M&A, No. of deals)^{*3}	#7	1.8%
Financial advisor (M&A, transaction volume)^{*3}	#14	6.4%

Products sales



^{*1} Source: SMBC Nikko, based on data from Thomson Reuters. Japanese corporate related only

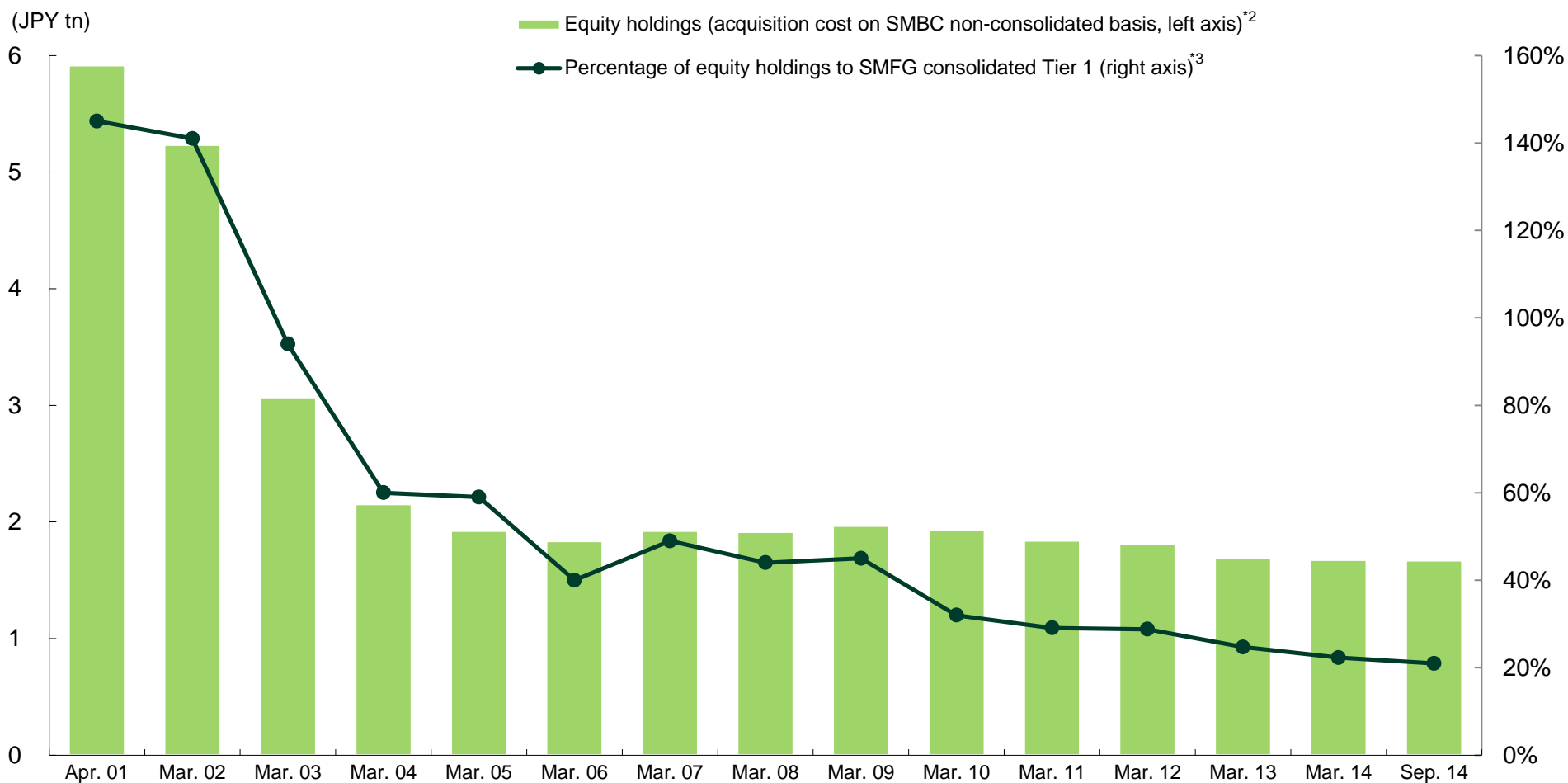
^{*2} Source: SMBC Nikko, based on data from Thomson Reuters. Consisting of corporate bonds, FILP agency bonds, municipality bonds, and samurai bonds

^{*3} Source: Thomson Reuters. Japanese corporate related only. Excludes real estate deals

^{*4} Number of accounts of individual customers at the end of each quarter which were opened at SMBC Nikko via referral or financial instruments intermediary services from SMBC to SMBC Nikko. Includes accounts transferred from SMBC Friend Securities to SMBC Nikko in Jan. 2011 on integrating SMBC Friend's collaborative business with SMBC into SMBC Nikko

Equity holdings

Balance of equity holdings^{*1}



*1 Balance of domestic listed stocks classified as other securities at fair value

*2 Shares of SMFG related to share exchange for acquiring former Promise are excluded

*3 Until Mar. 2002, percentage to SMBC consolidated Tier 1. In and after Mar. 2013, percentage to SMFG consolidated Tier 1 based on Basel III

■ Capital and risk-weighted assets, SMFG consolidated

Capital ratio (transitional basis)

		(JPY bn)	Mar. 31, 2014	Sep. 30, 2014
	Common Equity Tier 1 capital (CET1)		6,550.8	6,989.4
	of which:	Total stockholders' equity related to common stock	6,312.3	6,744.1
		Accumulated other comprehensive income ^{*1}	175.6	222.4
		Regulatory adjustments related to CET1 ^{*1}	(193.8)	(214.2)
Tier 1 capital			7,514.3	7,957.3
of which:	Eligible Tier 1 capital instruments (grandfathered) ^{*3}		1,212.1	1,227.3
	Regulatory adjustments ^{*1, 2}		(415.4)	(429.9)
Tier 2 capital			2,047.1	2,385.6
of which:	Tier 2 capital instruments		-	318.9
	Eligible Tier 2 capital instruments (grandfathered) ^{*3}		1,627.4	1,544.2
	Unrealized gains on other securities after 55% discount and land revaluation excess after 55% discount ^{*2}		506.6	628.4
	Regulatory adjustments ^{*1, 2}		(182.1)	(198.5)
Total capital			9,561.4	10,343.0
Risk-weighted assets			61,623.3	64,713.5
Common Equity Tier 1 capital ratio			10.63%	10.80%
Tier 1 capital ratio			12.19%	12.29%
Total capital ratio			15.51%	15.98%

*1~3 Subject to transitional arrangements. Regulatory adjustments of Tier1 and Tier2 include items that are either phased-in or phased-out as described in *1 and *2 below

*1 20% of the original amounts are included *2 20% phase-out is reflected in the figures *3 Cap is 80%

Credit ratings of G-SIBs by Moody's*1

	Apr. 2001	Jul. 2007	Dec. 2014*2
Aaa		<ul style="list-style-type: none"> Bank of America Bank of New York Mellon Citibank JPMorgan Chase Bank Royal Bank of Scotland UBS Wells Fargo Bank 	
Aa1	<ul style="list-style-type: none"> Bank of America Crédit Agricole Wells Fargo Bank UBS 	<ul style="list-style-type: none"> Banco Santander Barclays Bank BBVA BNP Paribas Crédit Agricole Credit Suisse Deutsche Bank HSBC Bank ING Bank Nordea Bank Société Générale State Street Bank & Trust 	
Aa2	<ul style="list-style-type: none"> Bank of New York Mellon Barclays Bank BBVA Citibank HSBC Bank ING Bank JPMorgan Chase Bank Royal Bank of Scotland State Street Bank & Trust 	<ul style="list-style-type: none"> SMBC BPCE(Banque Populaire) BTMU Mizuho Bank UniCredit 	<ul style="list-style-type: none"> Bank of New York Mellon
Aa3	<ul style="list-style-type: none"> Banco Santander BNP Paribas BPCE(Banque Populaire) Deutsche Bank Société Générale UniCredit 	<ul style="list-style-type: none"> Goldman Sachs Bank Morgan Stanley Bank 	<ul style="list-style-type: none"> HSBC Bank JPMorgan Chase Bank Nordea Bank State Street Bank & Trust Wells Fargo Bank
A1	<ul style="list-style-type: none"> Credit Suisse 	<ul style="list-style-type: none"> Agricultural Bank of China Bank of China ICBC 	<ul style="list-style-type: none"> SMBC Agricultural Bank of China Bank of China BNP Paribas BTMU Credit Suisse ICBC Mizuho Bank Standard Chartered
A2	<ul style="list-style-type: none"> BTMU Standard Chartered 	<ul style="list-style-type: none"> Standard Chartered 	<ul style="list-style-type: none"> Bank of America Barclays Bank BPCE (Banque Populaire) Citibank Crédit Agricole Goldman Sachs Bank ING Bank Société Générale UBS
A3	<ul style="list-style-type: none"> SMBC Mizuho Bank 		<ul style="list-style-type: none"> Deutsche Bank Morgan Stanley Bank
Baa1	<ul style="list-style-type: none"> Agricultural Bank of China Bank of China ICBC 		<ul style="list-style-type: none"> Banco Santander Royal Bank of Scotland
Baa2			<ul style="list-style-type: none"> BBVA UniCredit

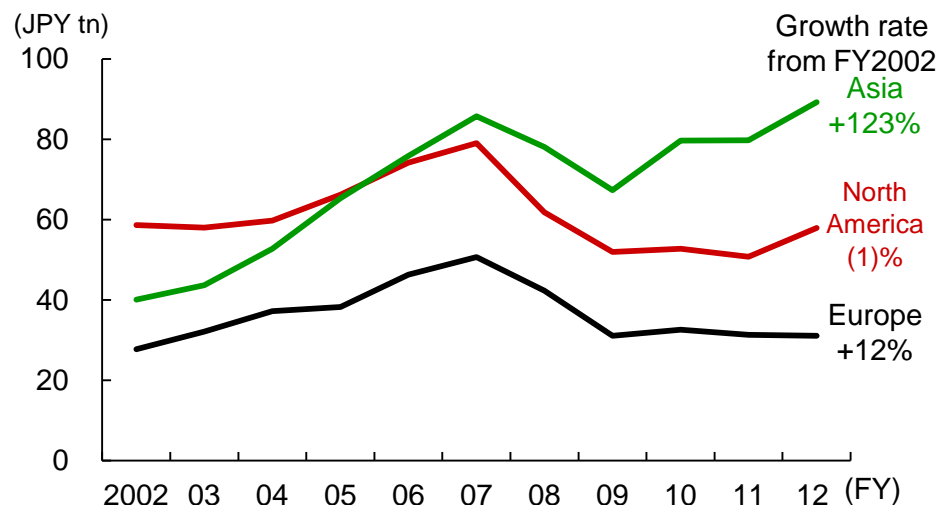
*1 Long-term issuer ratings (if not available, long-term deposit ratings) of operating banks

*2 As of Dec. 30, 2014

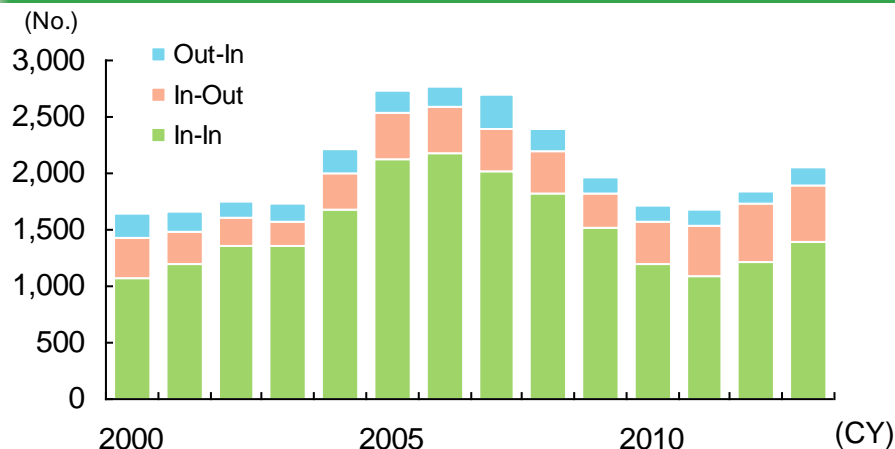
Business environment - growth areas in domestic market

Corporate business

Sales of overseas subsidiaries of Japanese corporations*¹

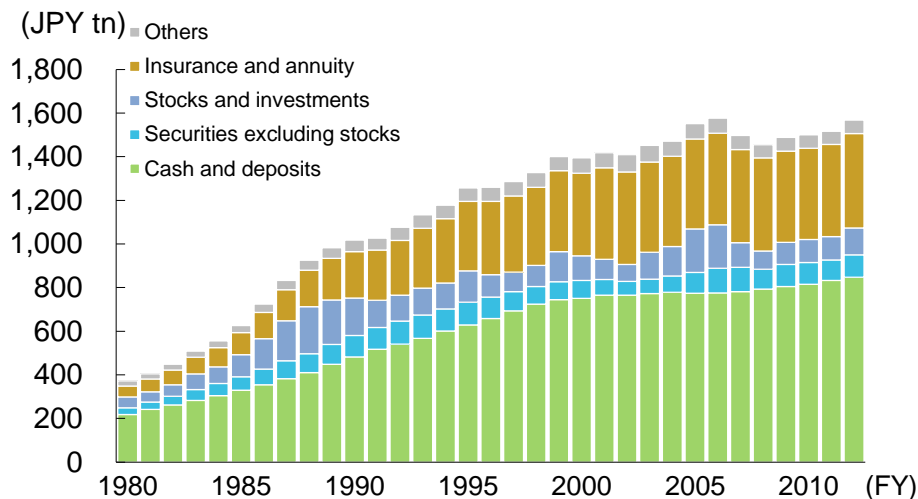


No. of M&A deals*²

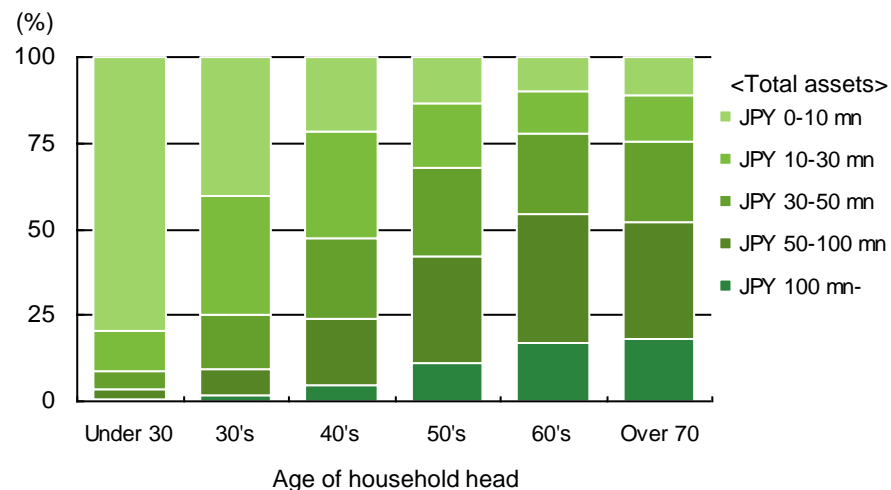


Consumer business

Balance of financial assets owned by individuals*³



Total assets by age groups*⁴



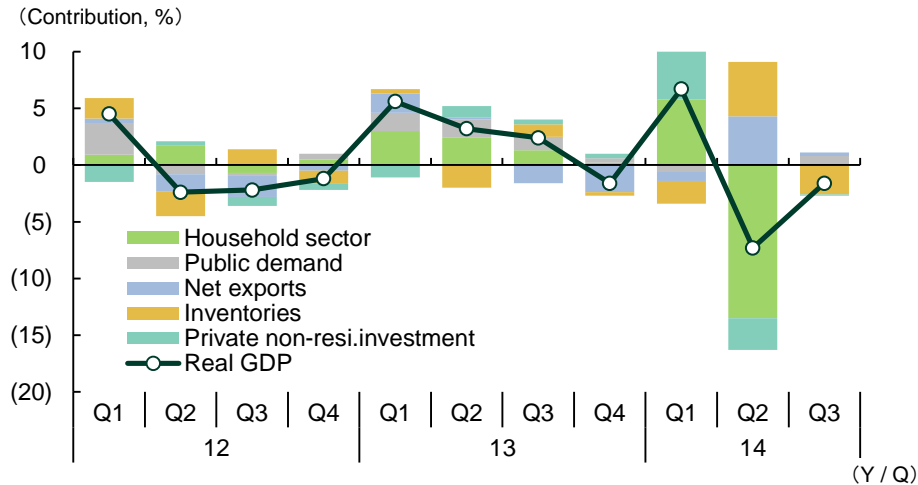
*1 Source: Ministry of Economy, Trade and Industry "Basic Survey of Overseas Business Activities"

*2 Source: Recof data corporation *3 Source: Bank of Japan

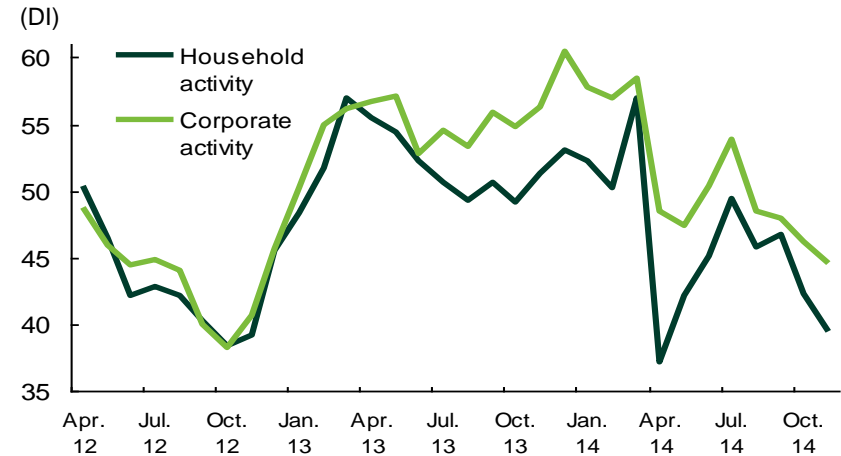
*4 Source: Ministry of Internal Affairs and Communications "National Survey of Family Income and Expenditure"

Current Japanese economy

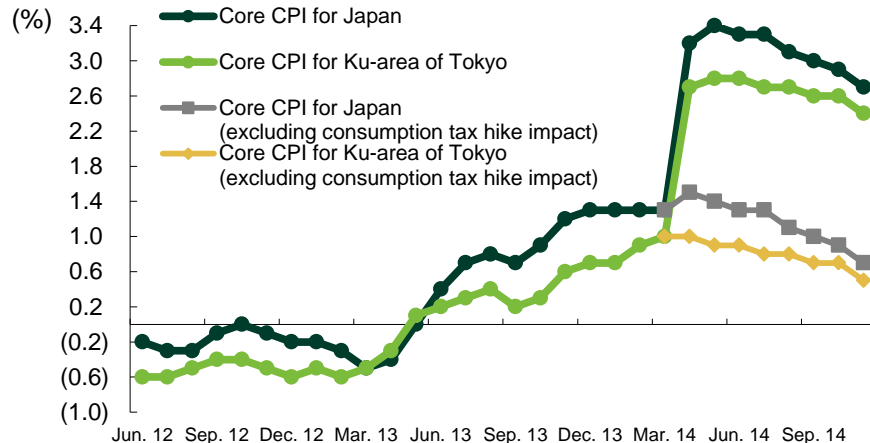
Real GDP growth rate (annualized QoQ change)*1



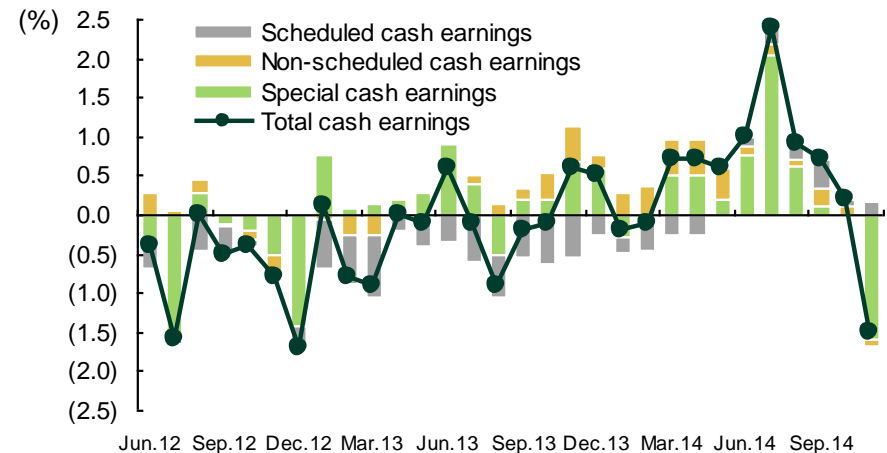
Economy watchers survey*2



Consumer price index (YOY change)*3



Employee earnings (YOY change)*4



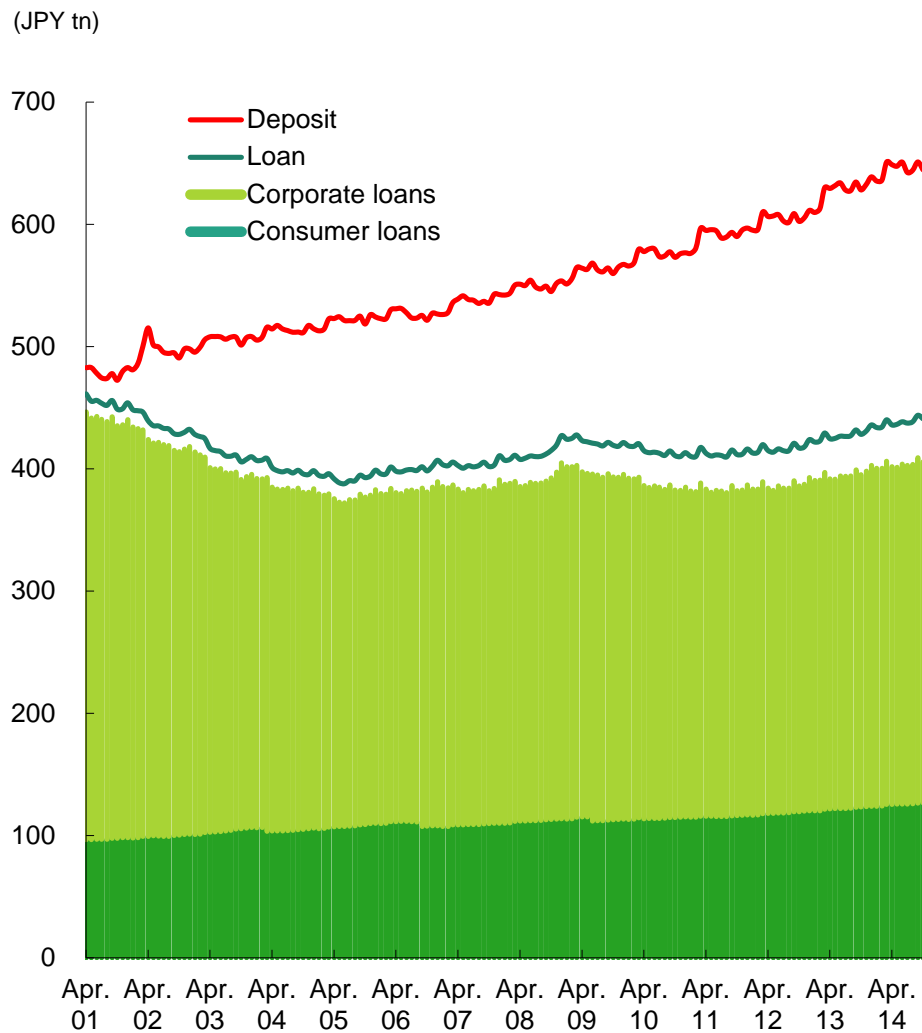
*1 Source: Cabinet Office. Seasonally adjusted series. Household sector = Private consumption + Private residential investment, Inventories = Change in private and public inventory, Public demand = Government consumption + Public investment

*2 Source: Cabinet Office. Diffusion index for current economic conditions

*3 Source: Statistics Bureau & SMBC Nikko. Core CPI: All items, less fresh foods. Ku-area of Tokyo: 23 wards of Tokyo *4 Source: Ministry of Health, Labour and Welfare "Monthly Labour Survey"

Trends of loan and deposit balance in Japan*1

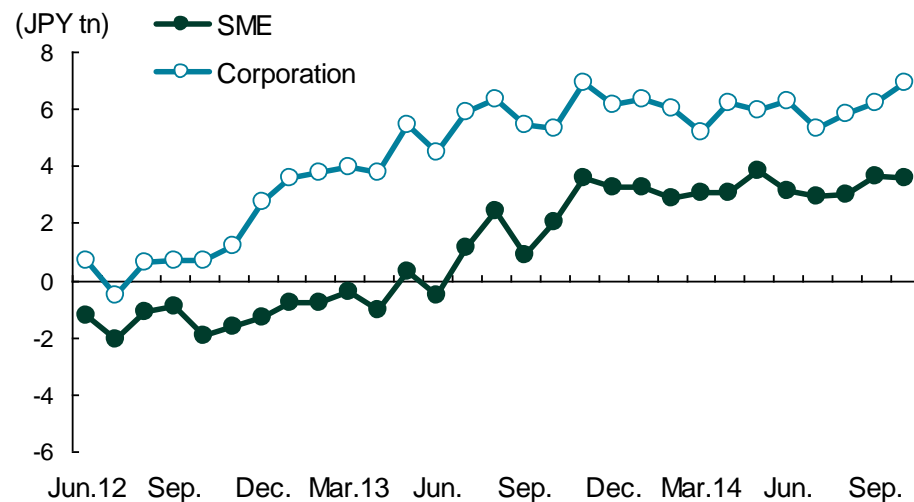
Loan and deposit balance of domestic banks



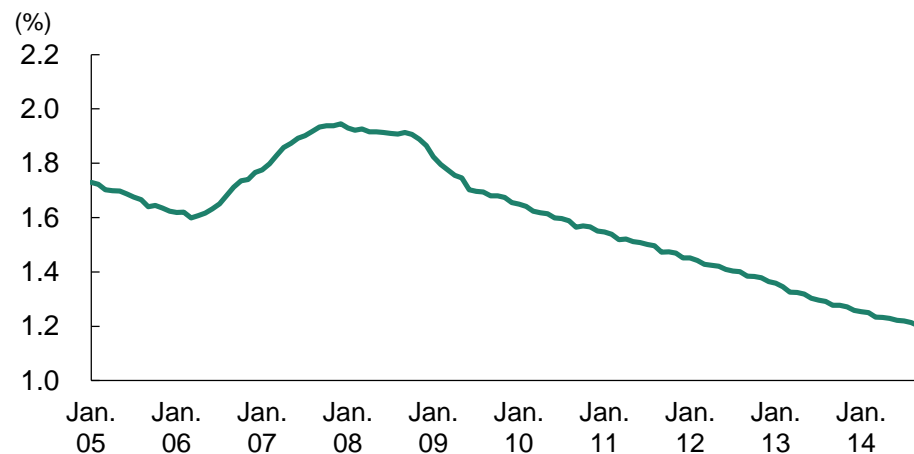
*1 Source: Bank of Japan "Deposits and Loans Market"

*2 Period end balance *3 Stock basis

YoY increase/decrease of loan balance*2



Average loan spread of domestic banks*3



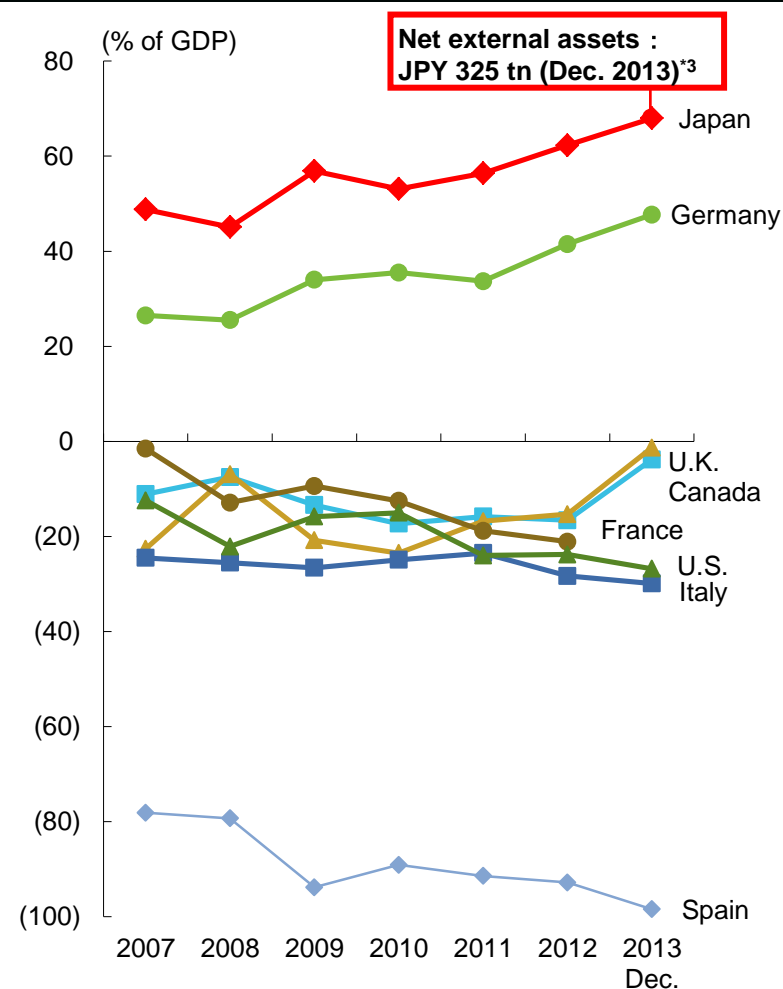
Japanese national wealth

Balance sheet of Japan (as of Dec. 2012, JPY tn)^{*1}

Closing Assets	8,685	Closing liabilities plus net worth	8,685
Households	2,586	Households	354
Financial assets	1,554	Non-financial corporations	1,210
Non-financial assets	1,033	Stocks	421
Land	686	Financial corporations	2,961
Non-financial corporations	1,860	Stocks	121
Financial assets	848	General government	1,131
Non-financial assets	1,012		
Land	277	Closing liabilities	5,685
Financial corporations	3,050	Net worth	3,000
General government	1,093	Households	2,233
Financial assets	518	Non-financial corporations	650
Financial assets	5,981	Financial corporations	89
Non-financial assets	2,704	General government	(39)

To Nominal GDP : 238.8%

Net international investment position^{*2}



*1 Source: Cabinet Office

*2 Source: IMF Stat

*3 Source: Ministry of Finance Japan

Japan Revitalization Strategy (revised edition as of Jun. 2014)

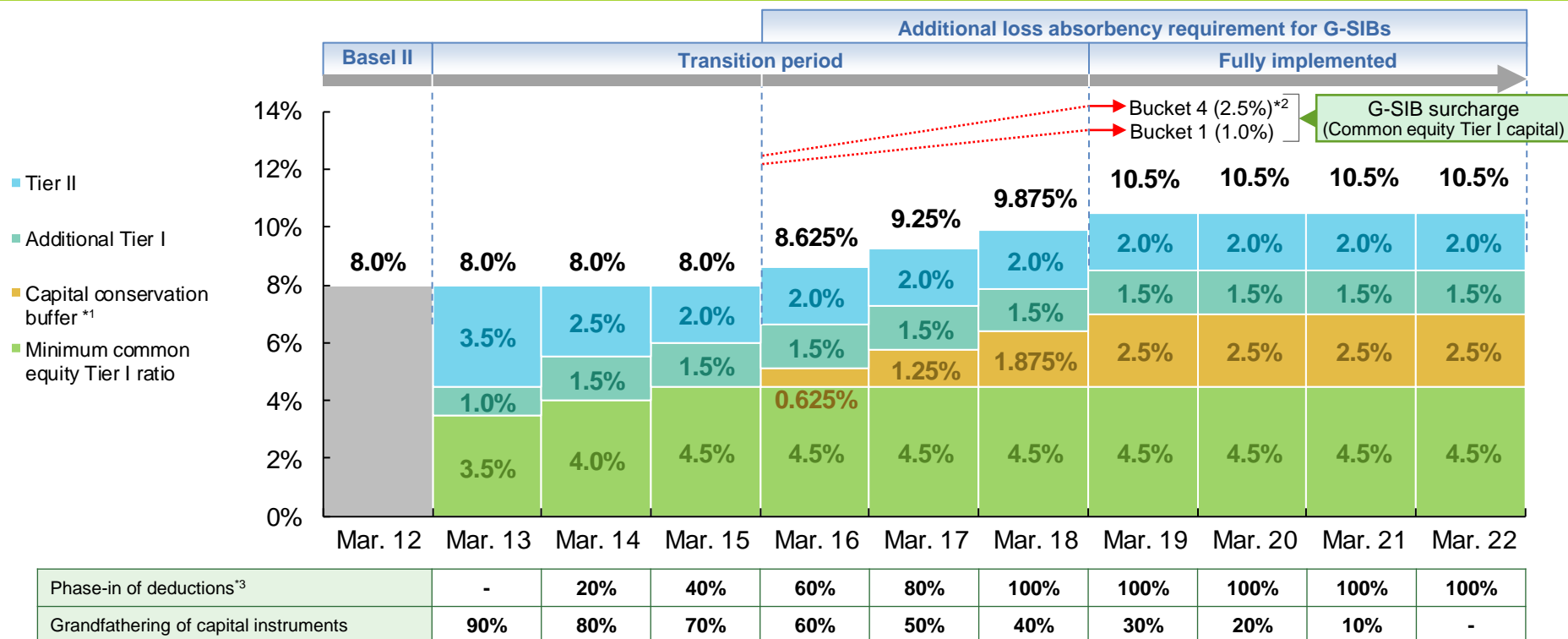
	Goals	Numerical targets	Time period	Jun. 2013	Jun. 2014	Key measures
Industry Revitalization Plan						<ul style="list-style-type: none">Strengthen Corporate GovernancePromote supply of “Risk Money”Implement the national identification number policyCorporate tax reformReform of the GPIFDevelop “National strategic special zones” (Simplify incorporation procedures, etc.)
Restructuring of industries	Domestic CAPEX Business startup rate vs. closure ratio	JPY 70 tn Around 10%	In next 3 yrs -	JPY 63 tn 5%	JPY 66.9 tn -	
Employment system reform	Unemployed for more than six months Employment rate of women	Decrease by 20% 73%	In next 5 yrs 2020	- 68%	1.51 mn 69.5%	
Unlock full potential of universities	Global ranking of Japanese universities	10+ to rank in top 100	In next 10 yrs	-	2	
Promote scientific and technological innovations	Global innovator ranking Number of public data disclosure	#1 Over 10,000	In next 5 yrs End of 2015	#5 -	#5 Achieved	
Strengthen competitiveness of Japan as a business hub	Ease of doing business ranking Size of PPP/PFI	Top3 (in OECD) JPY 12 tn	2020 In next 10 yrs	#15 JPY 4.1 tn	#15 -	
Expand SMEs	Number of profit-making SMEs	1.4 mn	2020	0.7 mn	-	
Strategic Market Creation Plan						<ul style="list-style-type: none">Reform of the medical corporation systemImplement wind power generation quicklyIntroduce robots for the maintenance of infrastructureReform of Agricultural cooperativesPromote tourism targeting Tokyo Olympic GamesExamine establishment of Integrated Resort (IR)
Develop a good health and longevity industry	Extend healthy life expectancy	1+ year	2020	- -	Men 70 Women 74	
Develop energy industry	Commercialize offshore floating wind power Global market share of batteries	Commercialize 50%	2018 2020	- -	2 plants 10%	
Develop Infrastructure industry	Maintain and repair infrastructure by using robots, etc. Equip driving safety support devices and system	100% Standard equipment for all cars	2030 2030	- -	- 185,000	
Turn agriculture and tourism into growth industries	Market for “the sixth industry” Exports of agriculture, food products, etc. Number of foreign visitors	JPY 10 tn JPY 1 tn Above 30mn	2020 2020 2030	JPY 1 tn JPY 450 bn -	JPY 1.9 tn JPY 550 bn 10.36 mn	
Strategy of Global Outreach						<ul style="list-style-type: none">Early agreement on the TPP negotiationsDiscover investment cases through the “Conference for Japan’s Direct Investment Promotion”Promote Cool Japan
Promote economic partnerships	Trading FTA ratio Export amount by mid-sized corps and SMEs	70% X2 from 2010	By 2018 2020	19% -	18% X1.3	
Develop inward direct investment	Foreign companies’ direct investment	JPY 35 tn	2020	JPY 17.8 tn	JPY 18 tn	
Capture share of world’s infrastructure	Infrastructure sales	JPY 30 tn	2020	JPY 3.2 tn	JPY 9.3 tn	
Promote Cool Japan, etc.	Overseas sales of broadcast contents	X3	By 2018	JPY 6.3 bn	JPY 6.2 bn	

* The measures and figures announced in June 2013 are shown in black; those announced in June 2014 are shown in red

Meeting international financial regulations

		Regulations	Contents of regulation	Effective date	Current status
G-SIFI regulation and supervision	G-SIB surcharge		Required for additional loss absorption capacity above the Basel III minimum	2016	Finalized at FSB Domestic regulation under development
	Adequacy of loss-absorbing capacity (TLAC)		Required to hold loss absorbing capacity, which consists of eligible liabilities and regulatory capital, on both a going concern and gone concern basis	No earlier than 2019	Consultation commenced in Nov. 2014
	Recovery and Resolution Plan		SMFG Group Recovery Plan	Implemented	Submitted
			ISDA Protocol: Stays on early termination rights following the start of resolution proceedings of derivatives counterparty	2015	Open for adherence
Prudential regulation	Basel III	Capital requirement	Required to raise the level and quality of capital and enhance risk coverage under Basel III	2013	Under phased implementation
			Fundamental review of trading book (Strengthened capital standards for market risk)	TBD	Consultation on outstanding issues commenced in Dec. 2014. Finalization targeted by end-2015
			Review of the Standardized Approaches	TBD	Consultation for operational risk and credit risk commenced in Oct. and Dec. 2014
			Capital floors	TBD	Consultation commenced in Dec. 2014
			Interest-rate risk of banking book	TBD	Under discussion at BCBS
		Leverage ratio requirement	Non-risk-based measure based on “on-and off-accounting balance sheet items” against Tier I capital. Minimum requirement: 3% (on a trial basis)	2018	Finalized at BCBS Domestic regulation under consultation
		Minimum standards for liquidity (LCR/NSFR)	LCR: Required to have sufficient high-quality liquid assets to survive a significant stress scenario lasting for one month. >=100% needed	2015	Domestic regulation finalized in Oct. 2014
			NSFR: Required to maintain a sustainable maturity structure of assets and liabilities >=100% needed	2018	Finalized at BCBS in Oct. 2014
		Large exposure regulation	Tightening of exposure limit to a single borrower (25% of Tier1) and expansion of scope of applicable exposure type, etc.	Jan. 2019	Partly implemented in Dec. 2014
		Financial market / Financial system reform	OTC derivatives markets reforms		<ul style="list-style-type: none">Centralizing of OTC derivatives clearingMargin requirement for non-centrally cleared derivatives
Regulation of the shadow banking system			Strengthen the oversight and regulation of the shadow banking system such as MMFs, repos and securitizations	TBD	Discussion underway on five specific areas
Limitation on banking activities / Ring fencing regulation			<ul style="list-style-type: none">US operations of depository institutions and affiliates prohibited from proprietary trading, sponsorship and ownership in funds (Volcker Rule)Requirements for foreign banking organizations (FBO Rule)	Jul. 2015 Jul. 2016	Final regulation published
			Ring-fenced banks prohibited from providing certain services and required to be isolated from the rest of the financial group in UK and EU	TBD	UK: Enacted in Dec. 2013, EU: Proposal published in Jan. 2014
Bank Levy			Financial transaction Tax (FTT)	TBD	Under discussion

Application of Basel III



Leverage ratio and liquidity rules (Schedule based on consultation and final documents by BCBS, and domestic regulation)

Leverage ratio	Jan. 2014 Finalized at BCBS	Jan. 2015: Start disclosure (minimum:3%)					Jan. 2018: Migration to pillar 1				
		1st half 2017: Final adjustments to definition and calibration									
Liquidity coverage ratio (LCR)	Oct. 2014 Domestic regulation finalized	Phased-in from Mar. 2015*4					Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19
							60%	70%	80%	90%	100%
Net stable funding ratio (NSFR)	Oct. 2014 Finalized at BCBS	Oct. 2014: Final document published					Jan. 2018: Full implementation				

*1 Draft on other domestic rules to be applied after 2015, such as the Capital conservation buffer, will be published in due course.

Countercyclical capital buffer omitted in the chart above; if applied, expected to be phased-in in the same manner as the Capital conservation buffer.

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

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

*4 Disclosure requirement will be implemented from Jun. 2015