

Fixed Income Investor Presentation

May 2025

Unless otherwise indicated, 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



SUMITOMO MITSUI
FINANCIAL GROUP

This document contains “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995), regarding the intent, belief or current expectations of Sumitomo Mitsui Financial Group, Inc. (“the Company”) and its management with respect to the Company’s future financial condition and results of operations. In many cases but not all, these statements contain words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “probability,” “risk,” “project,” “should,” “seek,” “target,” “will” and similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those expressed in or implied by such forward-looking statements contained or deemed to be contained herein. The risks and uncertainties which may affect future performance include: deterioration of Japanese and global economic conditions and financial markets; declines in the value of the Company’s securities portfolio; incurrence of significant credit-related costs; the Company’s ability to successfully implement its business strategy through its subsidiaries, affiliates and alliance partners; and exposure to new risks as the Company expands the scope of its business. Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this document. The Company undertakes no obligation to update or revise any forward-looking statements.

Please refer to the Company’s most recent disclosure documents such as its annual report on Form 20-F and other documents submitted to the U.S. Securities and Exchange Commission, as well as its earnings press releases, for a more detailed description of the risks and uncertainties that may affect its financial conditions, its operating results, and investors’ decisions.

Exchange rates (TTM)

	Mar. 24	Mar. 25
USD	151.33	149.53
EUR	163.24	162.05

FX (Average rate)

USD	145.31	152.57
EUR	157.72	163.65

Definitions

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

Agenda

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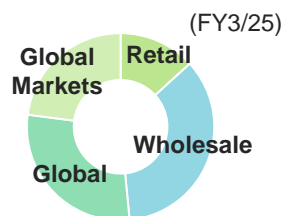
Overview / Financial Results

Key credit messages^{*1}

Earnings capability

USD 7.9 bn

SMFG's profit attributable to owners of parent^{*2}



Breakdown of consolidated net business profit by business unit

Sound loan portfolio

0.67%

SMFG NPL ratio

0.43%

SMBC NPL ratio (non-consolidated)

Robust liquidity

58.9%

Loan to deposit ratio

(average Jan. – Mar. 25)

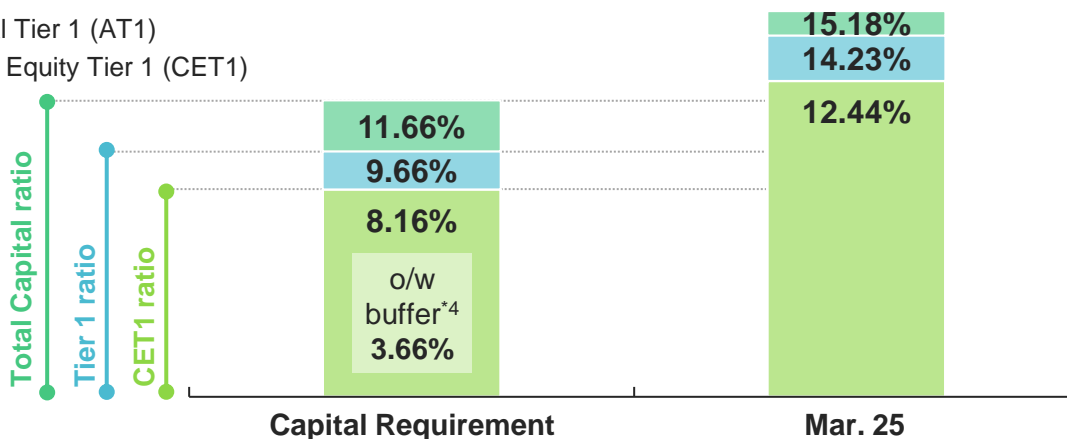
137.8%

LCR

Sound capital position

Transitional basis^{*3}

- Tier 2
- Additional Tier 1 (AT1)
- Common Equity Tier 1 (CET1)



High credit ratings

(As of May 23, 2025)

A1 / A1

SMBC/SMFG
Moody's Rating

A / A-

SMBC/SMFG
S&P Rating

^{*1} Consolidated, unless otherwise indicated, FY3/25 ^{*2} Converted into USD at period-end exchange rate

^{*3} Basel III finalization phased-in period started from Mar. 24

^{*4} Including Capital conservation buffer, G-SIB buffer and countercyclical buffer

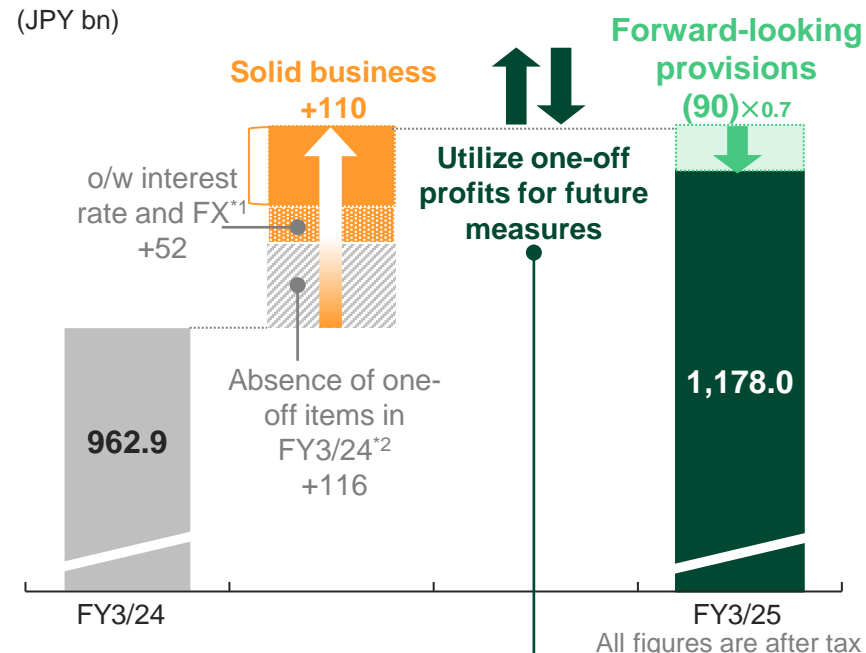
Results of FY3/25

Achieved the highest profits driven by strong core businesses, even after allocating one-off profits toward future measures. Recorded forward-looking provisions of JPY 90 bn to prepare for potential recession risks.

(JPY bn)	FY3/25		
	Results	YoY	vs. target
Consolidated gross profit	4,126.7	+387.9	—
G&A expenses <i>Overhead ratio</i>	2,402.0 58.2%	+151.4	—
Consolidated net business profit	1,719.3	+159.1	+99.3
Total credit cost	344.5	+70.5	+84.5
Gains (losses) on stocks	509.8	+260.0	
Ordinary profit	1,719.5	+253.4	+9.5
Profit attributable to owners of parent	1,178.0	+215.0	+18.0
ROE	8.0%	+1.0%	—

Breakdown of bottom-line profit

(JPY bn)



One-off profits: +280		Measures for future: (280)	
Higher gains of stocks	+145	Allowances for interest repayment	(110)
Higher profits of GM Business Units	+90	Sales of low-profits assets	(35)
Receipt of insurance claims on aircraft leasing	+45	Impairment in Vietnam	(135)

*1 JPY interest rate; +63, FF rate: (6), FX: (5)

*2 Impairment of FE Credit: +46, Receipt of insurance claims in SMBC AC: (37), Loss from sales of U.S. freight car leasing business: +82, Forward-looking provisions: +25

Balance sheet and loan balance

Balance sheet (as of Mar. 25)

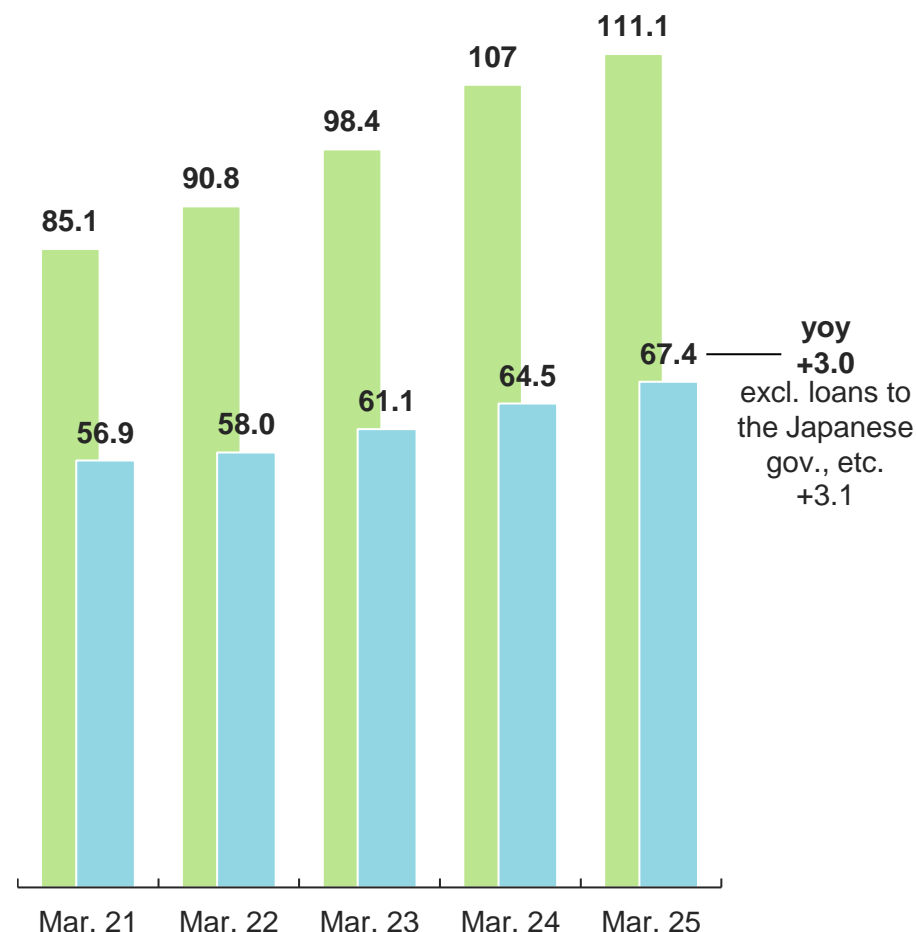
(Consolidated)

Loans		Deposits	
JPY 111.1tn (+JPY 4.1 tn)		JPY 188.7 tn (+JPY 9.2 tn)	
Domestic loans ^{*1}	JPY 67.4 tn	Loan to deposit ratio 58.9%	
Securities		Domestic deposits ^{*1}	JPY 130.8 tn
JPY 40.8 tn (+JPY 3.6tn)		NCD	JPY 17.2 tn
JGBs	JPY 11.2 tn	Others	
Foreign bonds	JPY 17.4 tn		
Others		JPY102.8 tn (+JPY 1.8 tn)	
JPY154.4 tn (+JPY 3.3 tn)		Total net assets	
Cash and due from banks	JPY 75.6 tn	JPY 14.8 tn (+JPY 0.0tn)	
BoJ's current account ^{*1}	JPY 55.9 tn		

Total assets JPY 306.3 tn (+JPY 11.0 tn)

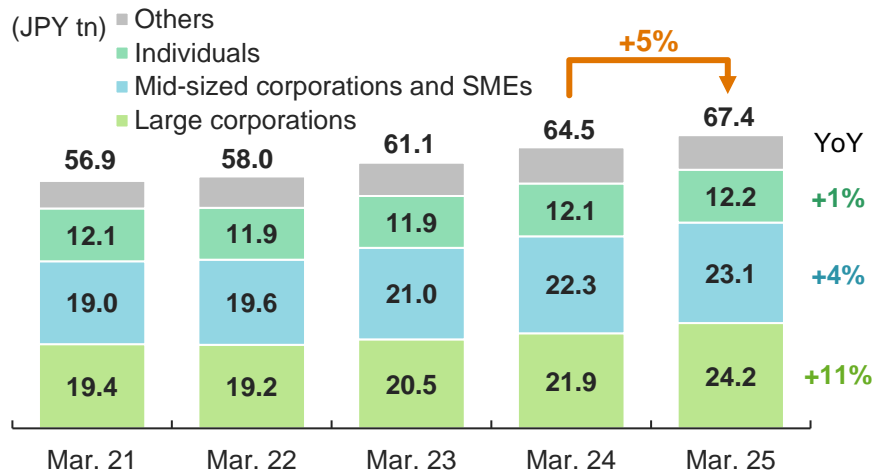
Loan balance

(JPY tn) ■ Consolidated ■ SMBC - domestic loans

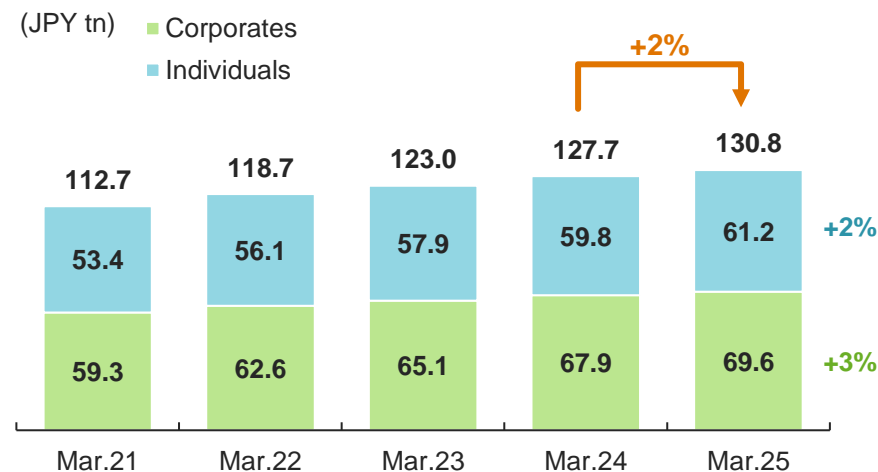


Domestic loans and deposits*1

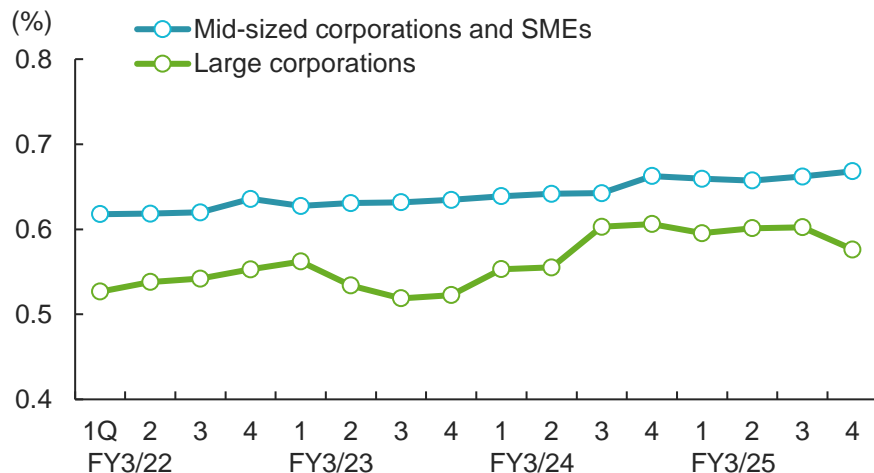
Loan balance



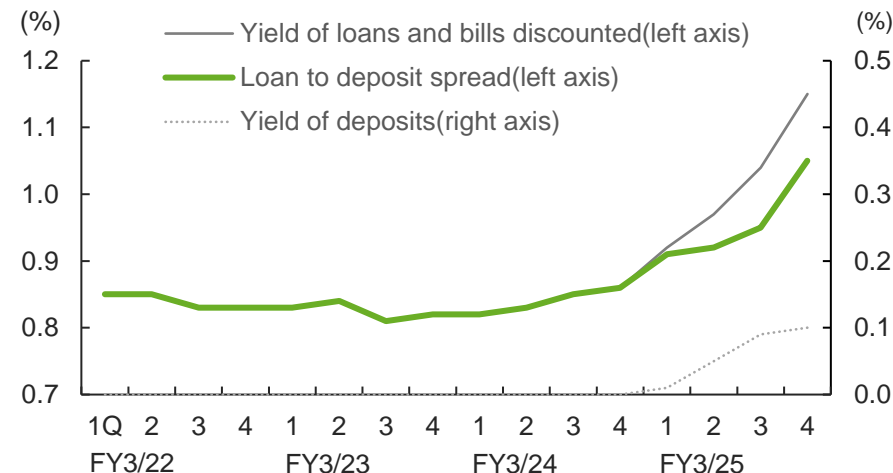
Deposit balance



Loan spread*2,3



Domestic loan-to-deposit spread

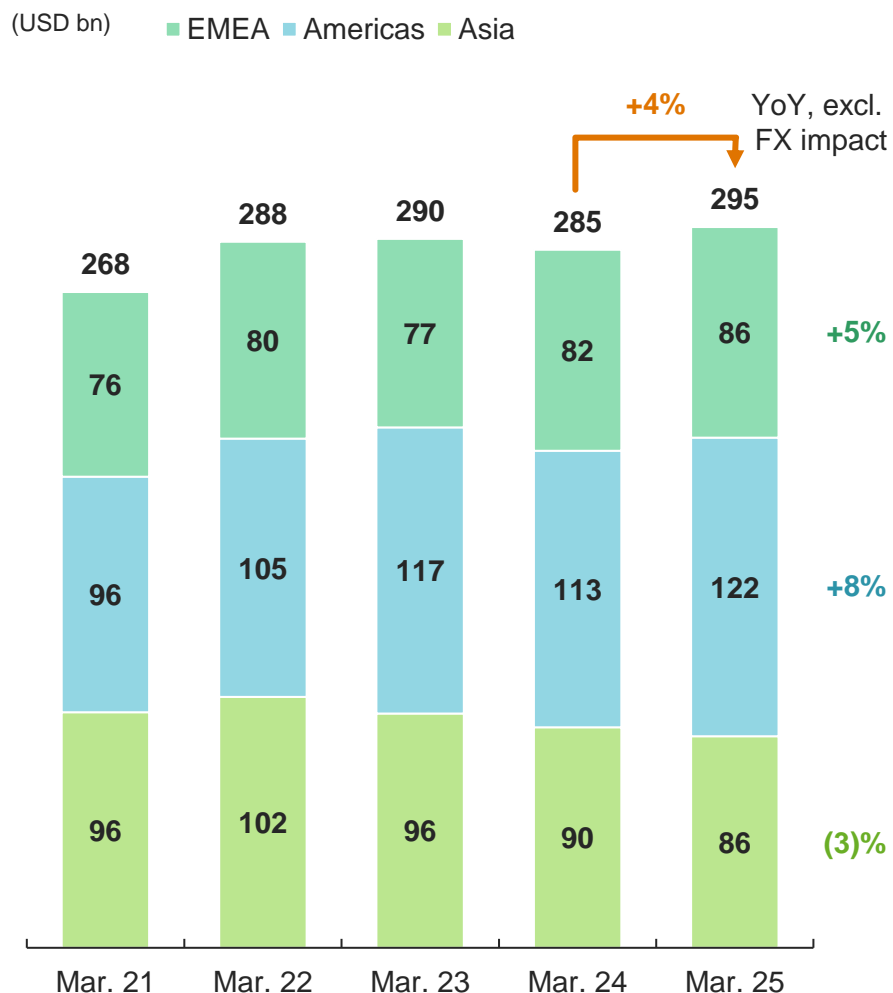


*1 SMBC, Managerial accounting basis *2 Managerial accounting basis

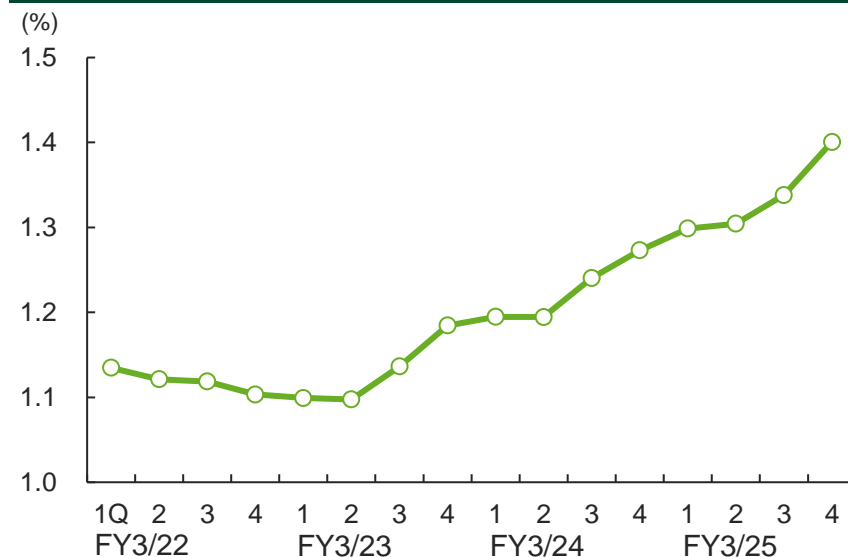
*3 Monthly average loan spread of existing loans, excluding loans to the Japanese government

Overseas loans*1

Balance



Spread*2,3



Impact of change in foreign interest rates

Loan/deposit

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

*1 Includes trade bills. Managerial accounting basis, converted into USD at respective period-end exchange rates.

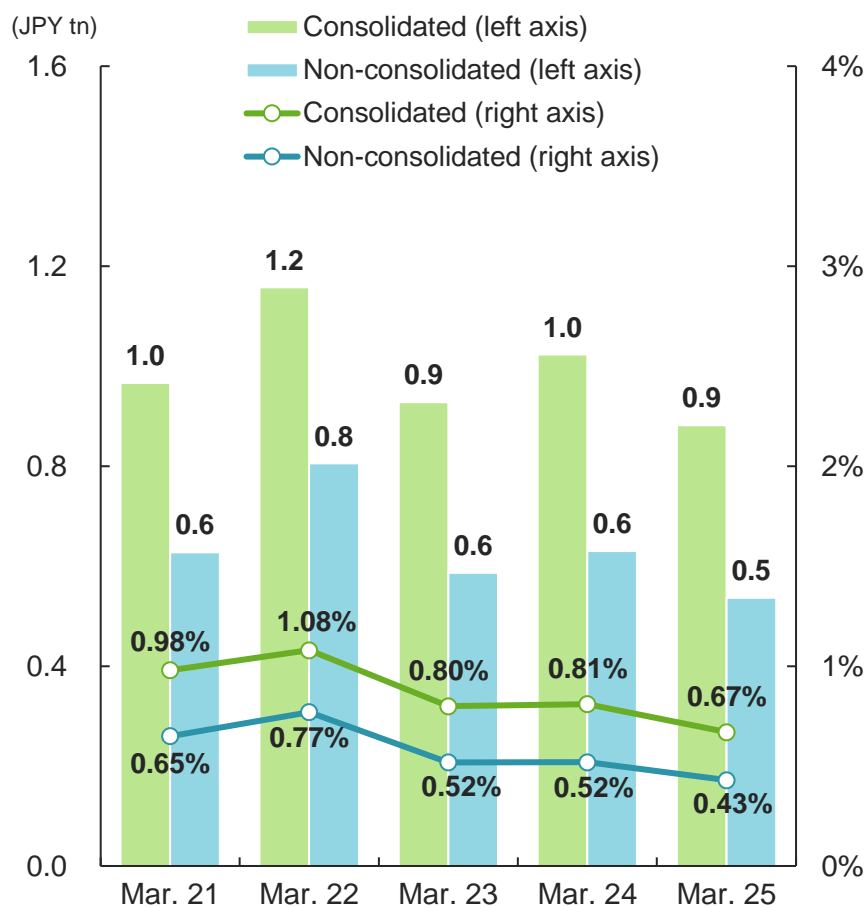
Sum of SMBC and major local subsidiaries

*2 Quarterly average loan spread of existing loans

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

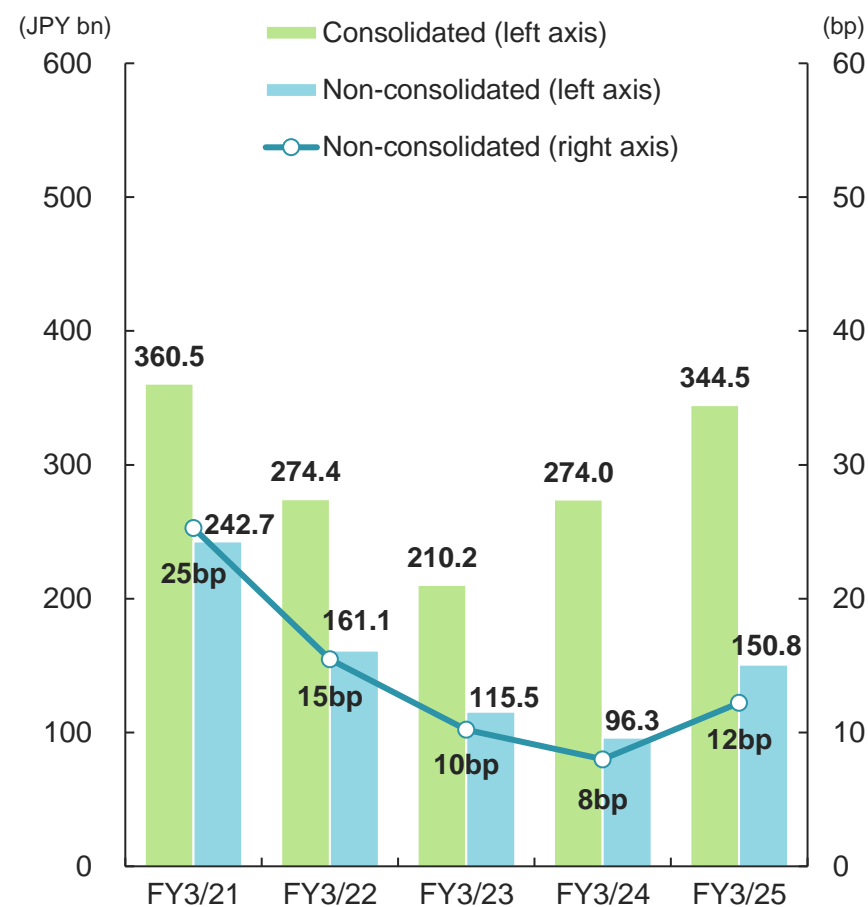
Asset quality – solid loan portfolio

NPLs and NPL ratio*¹



Coverage ratio* ³	Consolidated	68.11%	60.92%
	Non-consolidated	89.53%	81.67%

Total credit cost and total credit cost ratio*²



*¹ NPL ratio = NPLs based on the Financial Reconstruction Act (excluding normal assets) / Total claims

*² Total credit cost ratio = Total credit cost / Total claims

*³ Ratio of the collateral, guarantees and specific and general reserves to total NPLs

Asset quality – securities portfolio

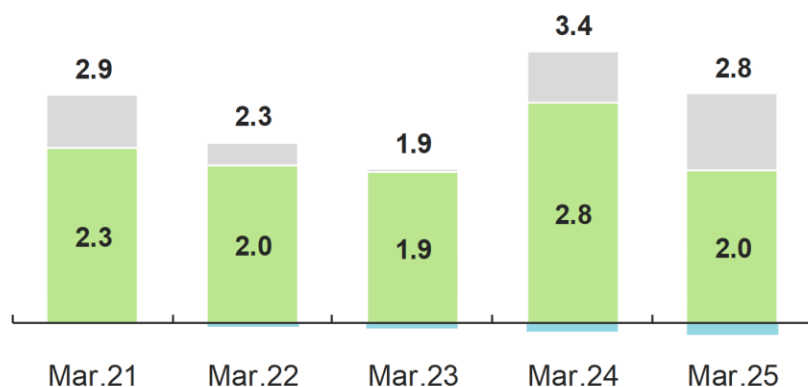
Breakdown of other securities (consolidated)

	B/S amount		Unrealized gains (losses)	
	Mar.25	vs Mar.24	Mar.25	vs Mar.24
(JPY bn)				
Held-to-maturity	274.4	+40.3	(6.2)	(4.8)
Available for sales	39,776.8	+3,644.0	2,806.0	(587.1)
Stocks (domestic)	3,045.2	(1,074.6)	1,960.9	(876.1)
Bonds (domestic)	13,893.5	+3,133.1	(144.8)	(44.7)
o/w JGBs	11,180.5	+3,633.2	(52.4)	+2.4
Others	22,838.1	+1,585.5	989.9 ^{*1}	+333.7
o/w Foreign bonds	17,424.7	+588.5	(449.1)	+241.5

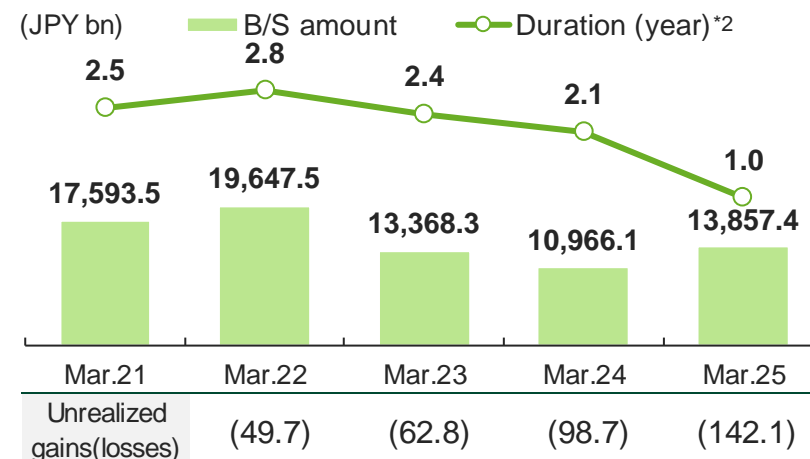
Risk volume is controlled by hedging and others

Unrealized gains

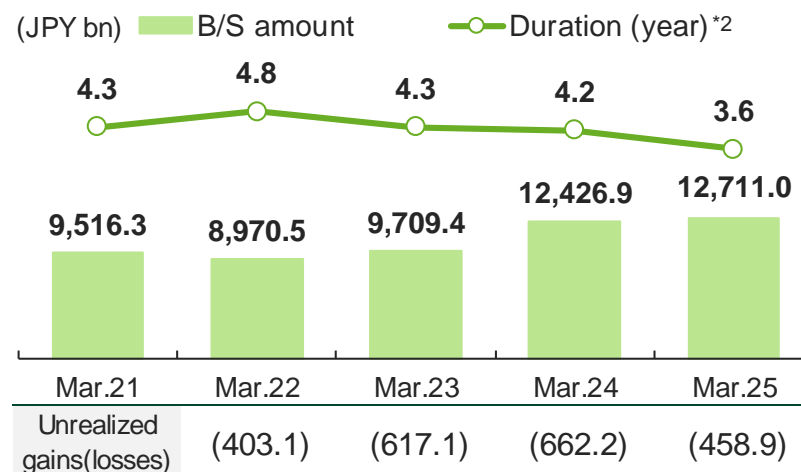
(JPY tn) ■ Stocks(domestic) ■ Bonds(domestic) ■ Others



Yen-denominated bonds (SMBC)



Foreign bonds (SMBC)



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

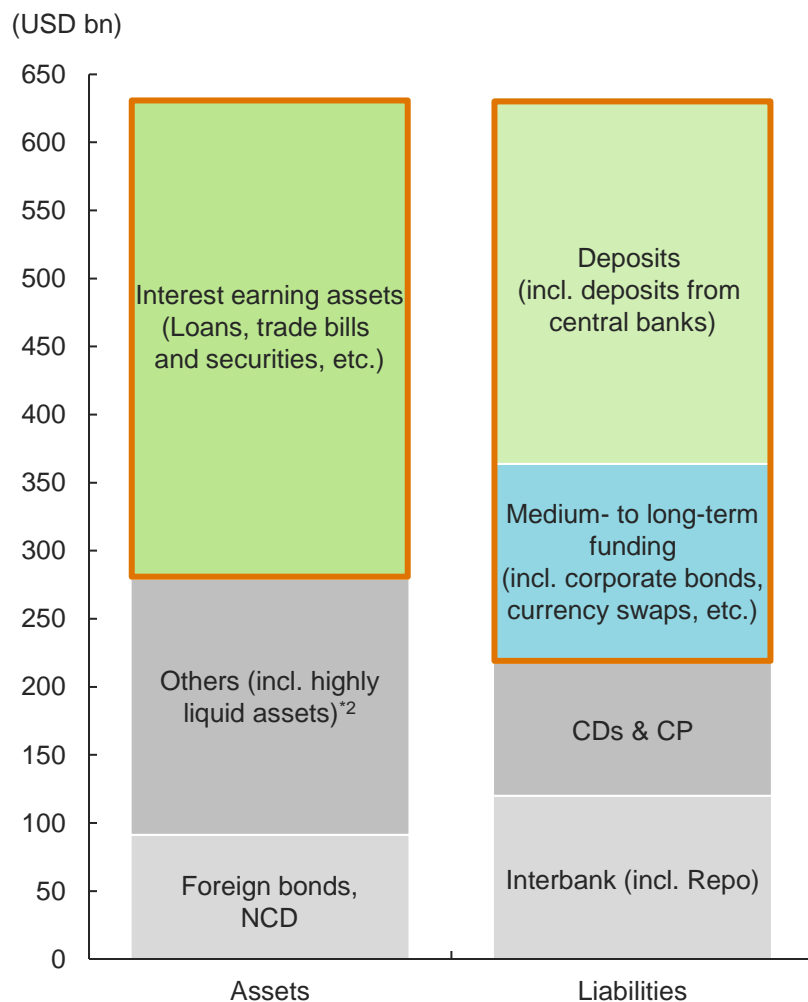
*2 Managerial accounting basis (Excluding bonds classified as held-to-maturity, bonds for which hedge-accounting is applied, and private placement bonds)



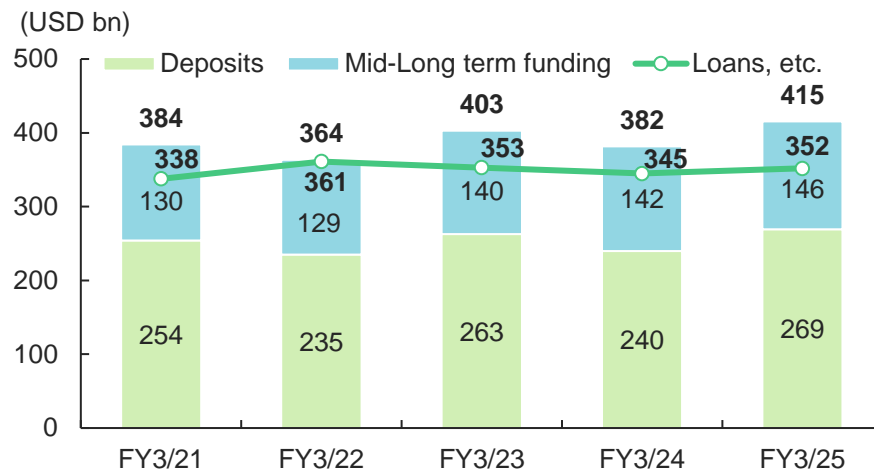
Funding / Capital Strategy

Foreign currency assets and funding

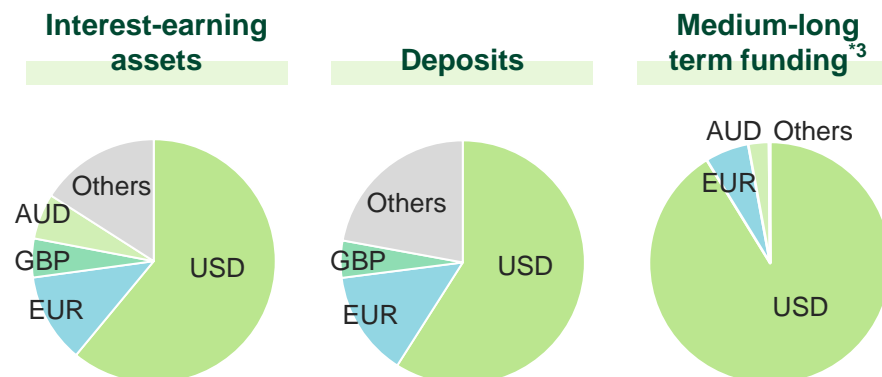
Non-JPY balance sheet overview^{*1} (as of Mar. 25)



Non-JPY balance sheet development



Currency breakdown (as of Mar. 25)

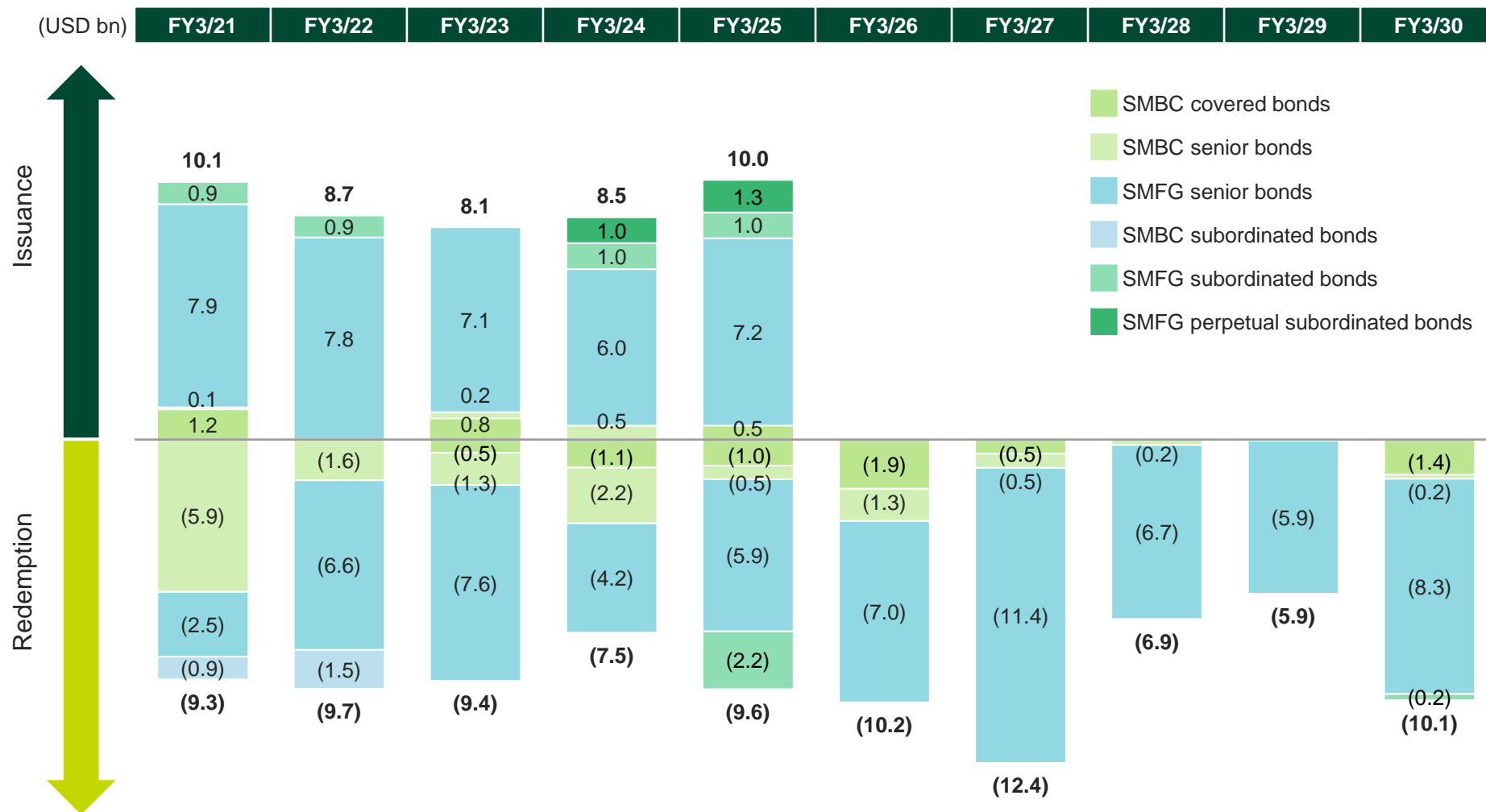


^{*1} Managerial accounting basis. Sum of SMBC and major local subsidiaries ^{*2} Deposits placed with central banks, etc.

^{*3} Among all bonds priced by Mar. 25, only includes issuance with original maturity of two years or more and its tap issue as of Mar. 25. Converted into USD at the exchange rates as of the end of Mar. 25

Foreign currency issuances and redemptions

Non-JPY issuances and redemptions^{*1}

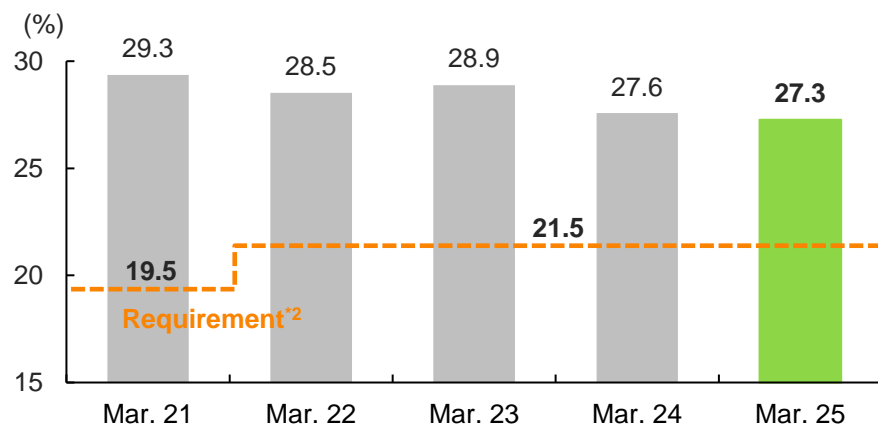


^{*1} The sum of SMFG and SMBC bonds, each on a non-consolidated basis. Excludes JPY funding, certificate of deposits and transferable deposits. All redemptions were, or are expected to be, at maturity other than for callable notes, which were, or are expected to be, redeemed at their respective 1st call dates, while there is no assurance they will be redeemed at such time. Among all notes priced by Mar. 25, the total only includes issuances with an original maturity of two years or more and their respective tap issue as of Mar. 25. Translated into USD at the exchange rate as of the end of each period for FY3/21-FY3/25, and as of Mar. 25 for FY3/26-FY3/30

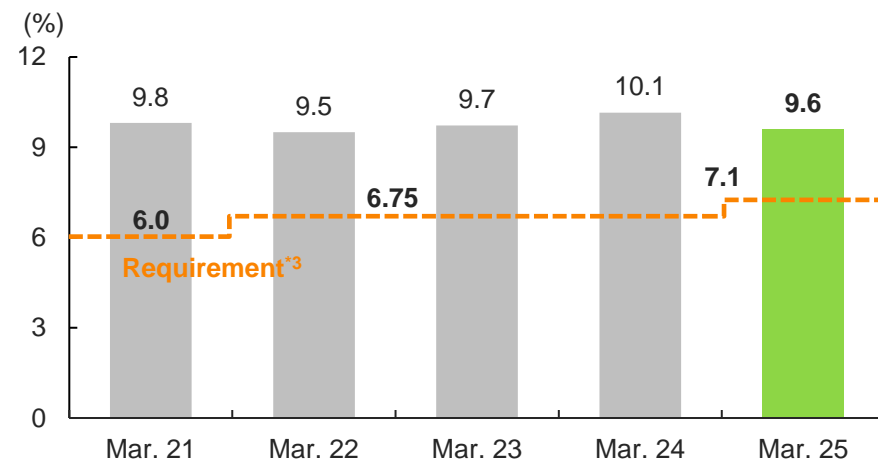
TLAC ratio and requirements

TLAC ratio (Transitional basis)^{*1} and requirements

Risk-weighted assets basis (including capital buffers^{*2})



Leverage exposure basis



	(JPY bn)	Mar. 25
External TLAC	A	25,396.7
Risk-weighted assets (RWA)	B	93,117.1
TLAC ratio (RWA basis) (A/B)	C	27.27%
Capital buffers (including CCyB)	D	(3.66%)
Ref: TLAC ratio of RWA (C+D)	E	23.61%
Leverage exposure (LE)	F	264,426.2 ^{*3}
TLAC ratio (LE basis) (A/F)	G	9.60%

Funding strategy

TLAC

- Expect the current TLAC ratio to decrease gradually due to the impact of RWA inflation as the Basel III finalization started
- Plan to secure the necessary and sufficient TLAC eligible senior debt in a balanced manner over the medium to long term

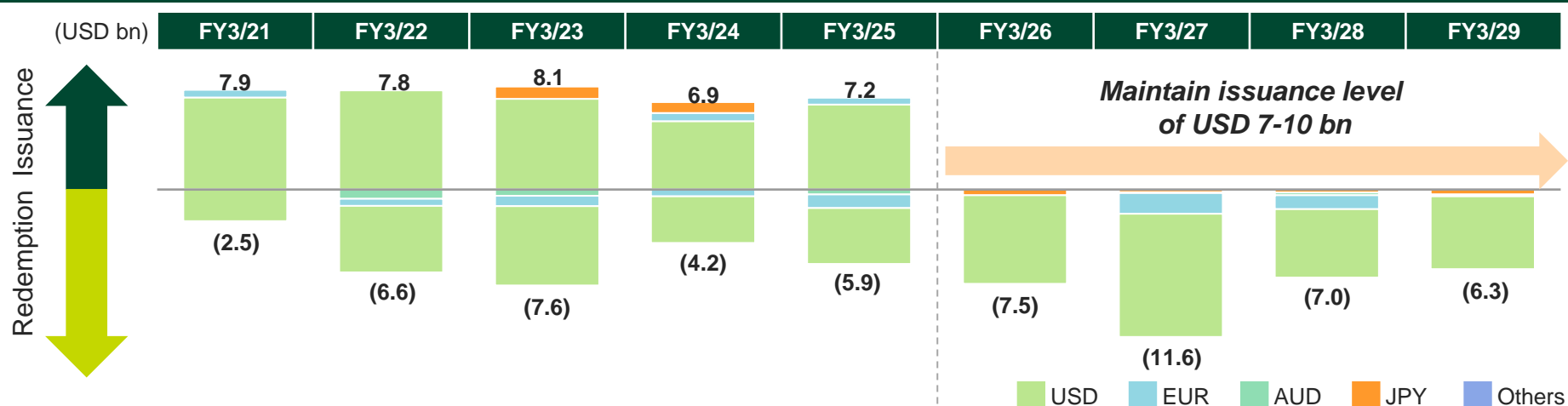
^{*1} Basel III finalization phased-in period started from Mar. 24. Revised RWA calculation will be fully implemented by Mar. 29. See p.68

^{*2} Excluding countercyclical buffer (CCyB) for RWA requirements. As for the G-SIB buffer, SMFG was allocated to bucket 1 according to the latest list published by the FSB

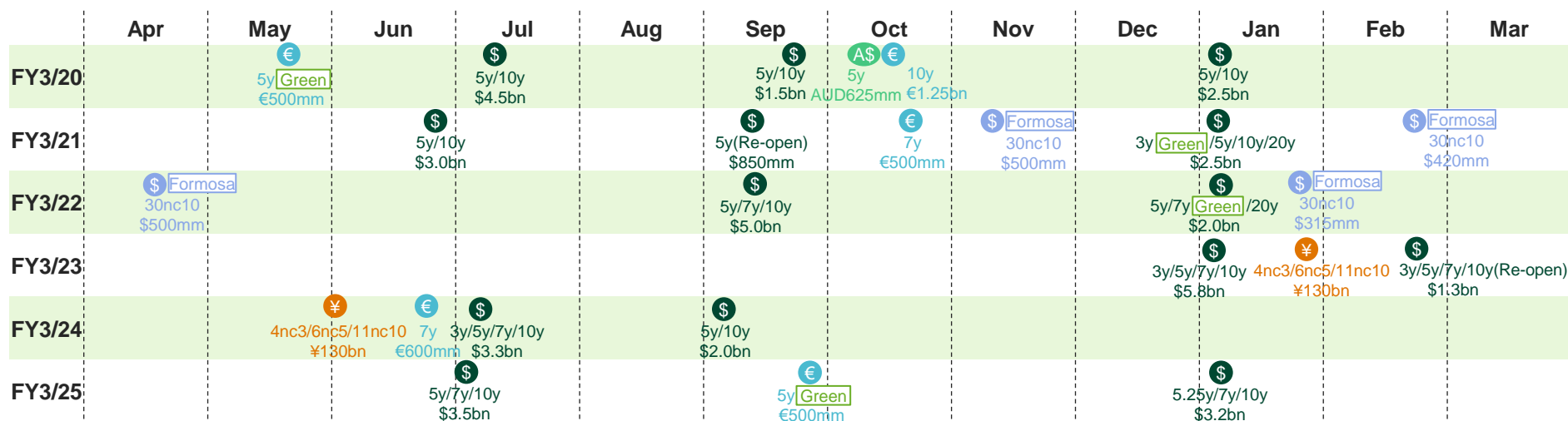
^{*3} LE excludes deposits with the Bank of Japan under the FSA's temporary relief on leverage ratio calculation from Jun. 20.

TLAC issuance results and strategy

TLAC issuances and redemptions^{*1}



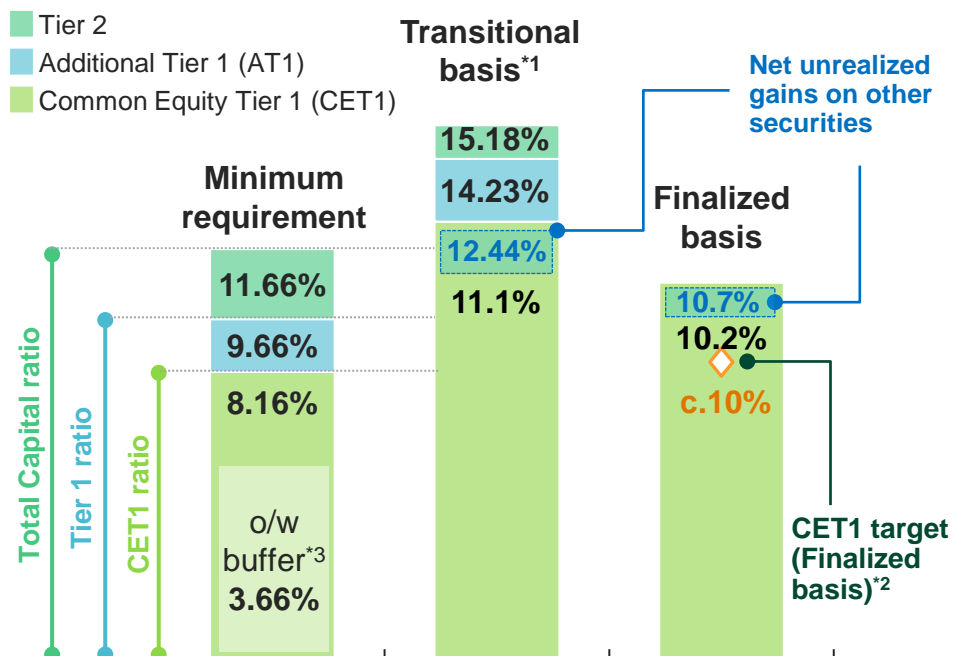
Historical issuance calendar^{*2}



^{*1} The sum of SMFG senior notes issuances and redemptions. All redemptions were, or are expected to be, at maturity other than for callable notes, which were, or are assumed for illustrative purposes to be, redeemed at their respective 1st call dates, while there is no assurance they will be redeemed at such time. Among all notes priced by Mar. 25, the total only includes issuances with an original maturity of two years or more and their respective tap issue as of Mar. 25. Translated into USD at the exchange rate as of the end of each period for FY3/21-FY3/25, and as of Mar. 25 for FY3/26-FY3/29 ^{*2} Based on pricing date

Capital

Capital ratio



	(JPY bn)	Mar. 25
Total capital		14,144.1
Tier 1 capital		13,258.8
o/w CET1 capital		11,585.1
Tier 2 capital		885.3
Risk-weighted assets		93,117.1

Capital strategy (Finalized basis)*²

Tier 2	JPY 0.9 tn (0.9%) (as of Mar. 25)	● Plan to fill 3.5% of combined AT1 & Tier 2 buckets together with AT1 capital
AT1	JPY 1.7 tn (1.7%) (as of Mar. 25)	● Plan to keep 1.5%+ level considering other regulatory requirements* ⁴
CET1	● CET1 ratio target: c.10%	

(Ref.) Risk-weighted assets (pro forma) : JPY 101.6tn (Mar. 25)

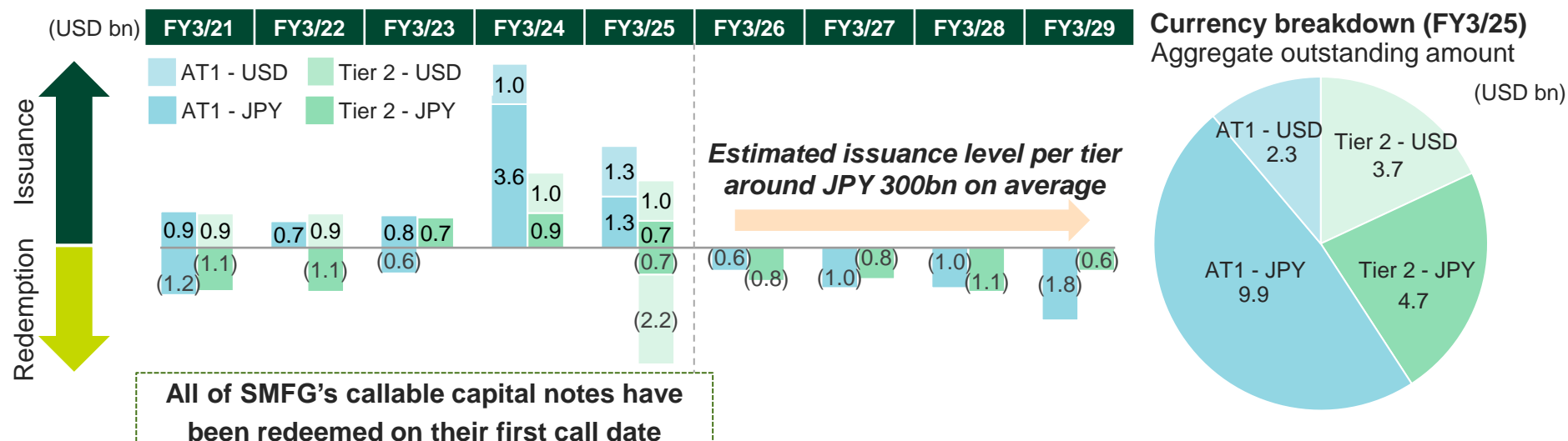
*1 Basel III finalization phased-in period started from Mar. 24. Revised RWA calculation will be fully implemented by Mar. 29. See p.68

*2 All percentages are calculated based on the fully implemented RWA which includes the impact of RWA inflation due to Basel III finalization and excludes RWA associated with net unrealized gains on stocks. CET1 capital excludes net unrealized gains on other securities. *3 Including capital conservation buffer (2.50%), G-SIB buffer (1.00%) and countercyclical buffer (0.16%)

*4 Other regulatory requirements are Leverage ratio, Large exposures standard, etc.

Subordinated bonds issuances results and strategy

Subordinated bonds issuances and redemptions*1



Historical issuance calendar*2

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
FY3/21						AT1 Tier2 PNC10 ¥100bn 10y \$850mn						
FY3/22						Tier2 20y \$850mn				AT1 PNC10 ¥80bn		
FY3/23									AT1 PNC5/PNC10 ¥107bn			Tier2 10NC5/10y ¥100bn
FY3/24	AT1 PNC5/PNC10 ¥140bn			Tier2 20y \$1bn		AT1 PNC5/PNC10 ¥211bn	Tier2 10NC5/10y ¥130bn			AT1 PNC5/PNC10 ¥188bn		AT1 PNC10 \$1bn
FY3/25		AT1 PNC5.5/PNC7/PNC10/ PNC12/PNC15 ¥190bn		Tier2 20y \$1bn	Tier2 10NC5/10y ¥100bn							AT1 PNC10 \$1.25bn

*1 The sum of SMFG subordinated notes issuances and redemptions priced by Mar. 25. All redemptions were, or are expected to be, at maturity other than for callable notes, which were, or are assumed for illustrative purposes to be, redeemed at their respective 1st call dates, while there is no assurance they will be redeemed at such time. Amounts converted into USD at the exchange rate as of the end of each period for FY3/21-FY3/25, and as of Mar. 25 for FY3/26-FY3/29

*2 Based on the pricing date

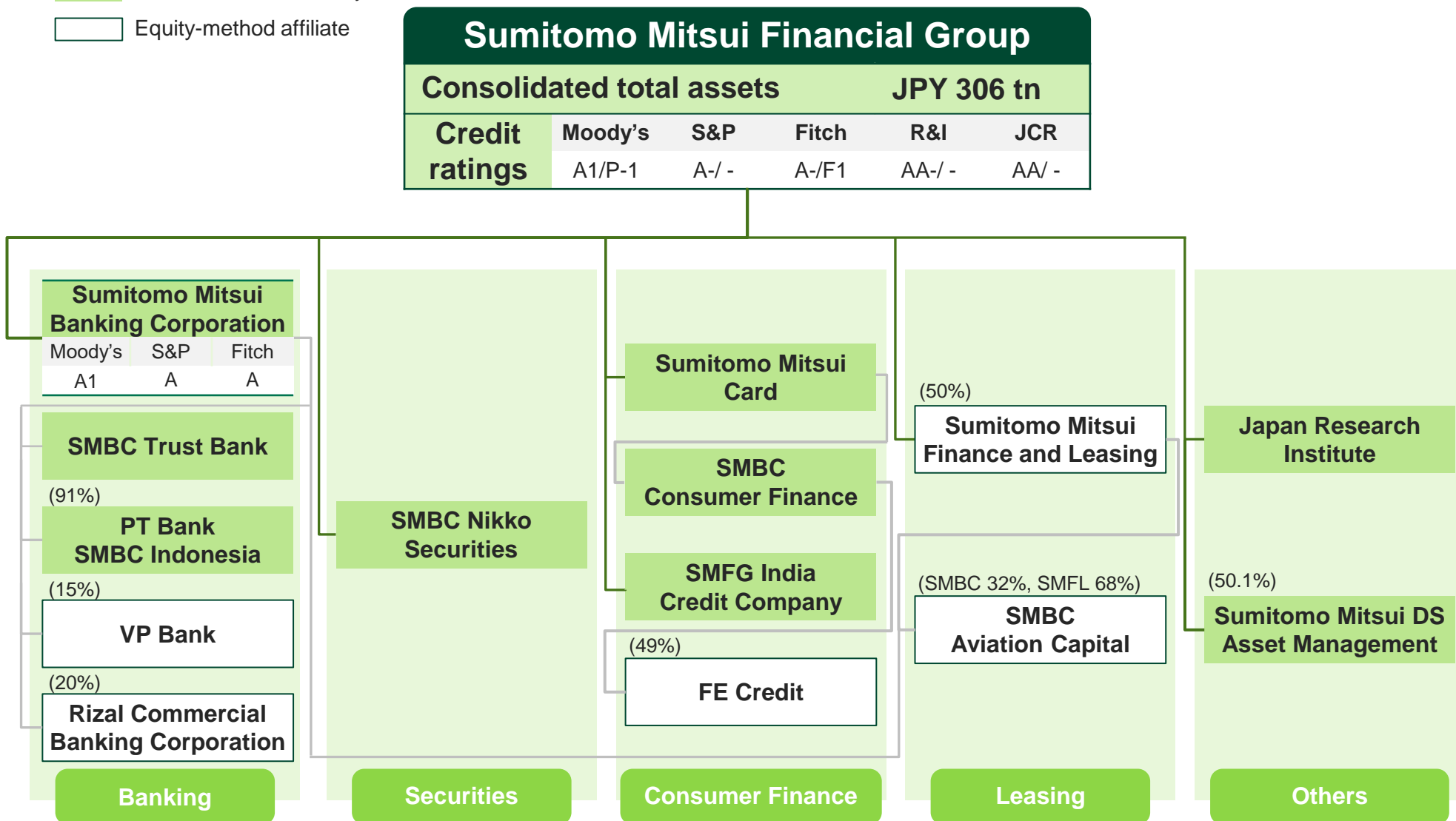


Appendix

Group structure*1

Consolidated subsidiary

Equity-method affiliate



*1 Excluding the ratings, as of the end of Mar. 25. Ratings are as of May 23, 2025.

Unless otherwise stated, each consolidated subsidiary is a wholly-owned subsidiary of Sumitomo Mitsui Financial Group

Credit ratings of selected G-SIBs

OpCo senior unsecured notes / Excluded liabilities	TLAC eligible senior unsecured notes	Basel III Tier 2 notes
Additional Tier 1 (AT1) securities	Stand-alone ratings* ¹	Notch difference (between OpCo senior and TLAC senior notes)

Moody's

(As of May 23, 2025)

	SMFG	Mizuho	MUFG	BAC	Citi	JPM	Barclays	HSBC	DB* ²	BNP* ²	UBS* ³
Aa2											
Aa3	0	0	0	2		2					
A1					3						4
A2							3	2			
A3									3	3	
Baa1											
Baa2											
Baa3											
Ba1											
Ba2											

S&P

(As of May 23, 2025)

	SMFG	Mizuho	MUFG	BAC	Citi	JPM	Barclays	HSBC	DB* ²	BNP* ²	UBS* ³
A+						0					
A	1	1	1	2	3		3	2		2	2
A-									3		
BBB+											
BBB											
BBB-											
BB+											
BB											
BB-											

*1 Stand-alone ratings: Adjusted BCA for Moody's, SACP for S&P

*2 For DB and BNP, OpCo senior notes and TLAC eligible senior notes mean preferred senior notes and non-preferred senior notes, respectively

*3 Backed senior unsecured rating of UBS Group Funding (Switzerland) guaranteed by UBS Group AG for TLAC eligible senior notes

Financial highlights – IFRS*1

Income statement data

(JPY bn)	FY3/23	FY3/24
Net interest income	1,755.1	1,890.8
Net fee and commission income	1,039.8	1,236.1
Net trading income	626.0	349.5
Other operating income	369.7	472.7
Total operating income	3,790.7	3,949.1
Net operating income	3,642.2	3,744.0
Profit before tax	1,261.9	1,207.8
Net profit	935.8	895.8

Statement of financial position data

(JPY bn)	FY3/23	FY3/24
Total assets	257,687.0	281,271.6
Loans	111,891.1	121,716.4
Deposits	172,927.8	182,097.3
Total equity	13,537.0	16,279.1

Reconciliation with Japanese GAAP

	(At and for FY3/24, JPY bn)	Total equity	Net profit
IFRS		16,279.1	895.8
Differences arising from different accounting methods for:	Scope of consolidation	93.6	(7.4)
	Derivative financial instruments	(520.0)	111.6
	Investment securities	(490.0)	43.4
	Loans and advances	434.8	(2.4)
	Investments in associates and joint ventures	239.2	20.2
	Property, plant and equipment	(4.8)	(22.7)
	Lease accounting	5.0	1.9
	Defined benefit plans	370.1	53.8
	Deferred tax assets	(70.8)	(6.6)
	Foreign currency translation	-	32.2
	Classification of equity and liability	(1,473.8)	(18.9)
	Others	(101.0)	(77.2)
	Tax effect of the above	38.6	(55.0)
Japanese GAAP		14,800.0	968.7

Revision of business plan factoring in the U.S. tariffs

Formulated FY3/26 targets after revising initial assumptions due to changes in the business environment, estimating a negative impact of JPY 100 bn on both consolidated net business profit and bottom-line profit.

Revision of macro assumption

		FY3/25	FY3/26	
		results	Initial	revised
GDP growth*1	Global	3.3%	3.2%	2.7%
	Japan	0.8%	1.1%	0.4%
Interest rate	JPY policy rate	0.5%	0.5%	0.5%
	10-year JGB	0.77% -1.59%	1.5%	1.3%
	FF rate	4.5%	4.0%	4.0%
Stock price	Nikkei index (JPY)	31,156 -42,427	41,000	37,000
FX	USD (JPY)	140 -162	145	140

FY3/25

Credit costs

JPY (90) bn

Forward-looking provisions

Impact from U.S. tariffs
Overseas interest rate, etc.

FY3/26

Consolidated net business profit

JPY (100) bn

Yen appreciation

after tax
(27.5)

Wealth management

Decline of stock price,
Weak investment sentiment

Domestic wholesale

Slowdown in corporate
actions

Multi-Franchise strategy

Slowdown of economy in Asia

(37.5)

Bottom-line profit

JPY (100) bn

Gains on stocks

(35)

*1 Japan Research Institute based on data of IMF and Cabinet Office, etc.
(The number of Japan in FY3/25 is based on the forecast by Japan Research Institute calendar year basis for global GDP)

Income statement

	(JPY bn)	FY3/25	YoY	vs. target
1	Consolidated gross profit	4,126.7	+387.9	
	G&A expenses	2,402.0	+151.4	
2	Overhead ratio	58.2%	(2.0)%	
3	Equity in gains (losses) of affiliates	(5.5)	(77.5)	
4	Consolidated net business profit	1,719.3	+159.1	+99.3
5	Total credit cost	344.5	+70.5	+84.5
6	Gains (losses) on stocks	509.8	+260.0	
7	Other income (expenses)	(165.1)	(95.2)	
8	Ordinary profit	1,719.5	+253.4	+9.5
9	Extraordinary gains (losses)	(19.5)	+104.2	
10	Income taxes	513.1	+139.4	
11	Profit attributable to owners of parent	1,178.0	+215.0	+18.0
12	ROE incl. OCI^{*1}	8.0%	+1.0%	
13	ROE^{*2}	10.8%	+1.6%	

- **Consolidated gross profit:** despite the sales of low-profits assets (56), increased YoY due to
1) increase of income on loan and deposit in domestic and overseas,
2) good performance of wealth management business, payment business and consumer finance, and
3) increase of fee income in domestic wholesale business.
Impact of FX^{*1}: +41
- **G&A expenses:** despite the impact of inflation (+48), the overhead ratio has improved due to effective cost control.
Impact of FX^{*1}: +19
- **Equity in gains of affiliates:** decreased YoY due to the impairment in Vietnam (135), while receiving insurance settlement at SMBCAC (+45)
Impact of FX^{*1}: -
- **Total credit cost:** increased due to
1) forward-looking provisions preparing for the potential recession risks initiated by the U.S. tariffs: +90
2) overseas banking subsidiaries including the consolidation of OTO/SOF
- **Gains on stocks:** increased due to gains on sales of equity holdings: 485 (YoY+205)
- **Others:** booked a radical allowance on interest repayment of consumer finance^{*3}: (140, YoY+120)
- **Extraordinary gains (losses):** absence of loss for sales of U.S. freight car leasing business: +108

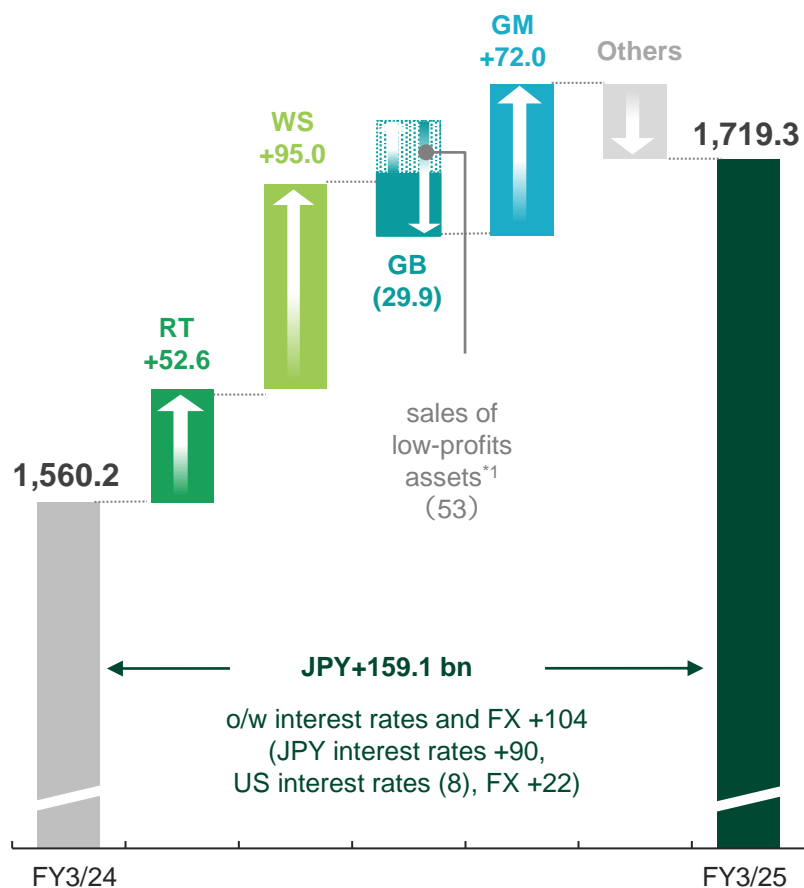
*1 Impact of FX on SMBC overseas branch: transaction date rate, overseas subsidiary: end-of-period rate

*2 Based on shareholder's equity *3 Record JPY40 bn to SMCC in 4Q

Breakdown of profit

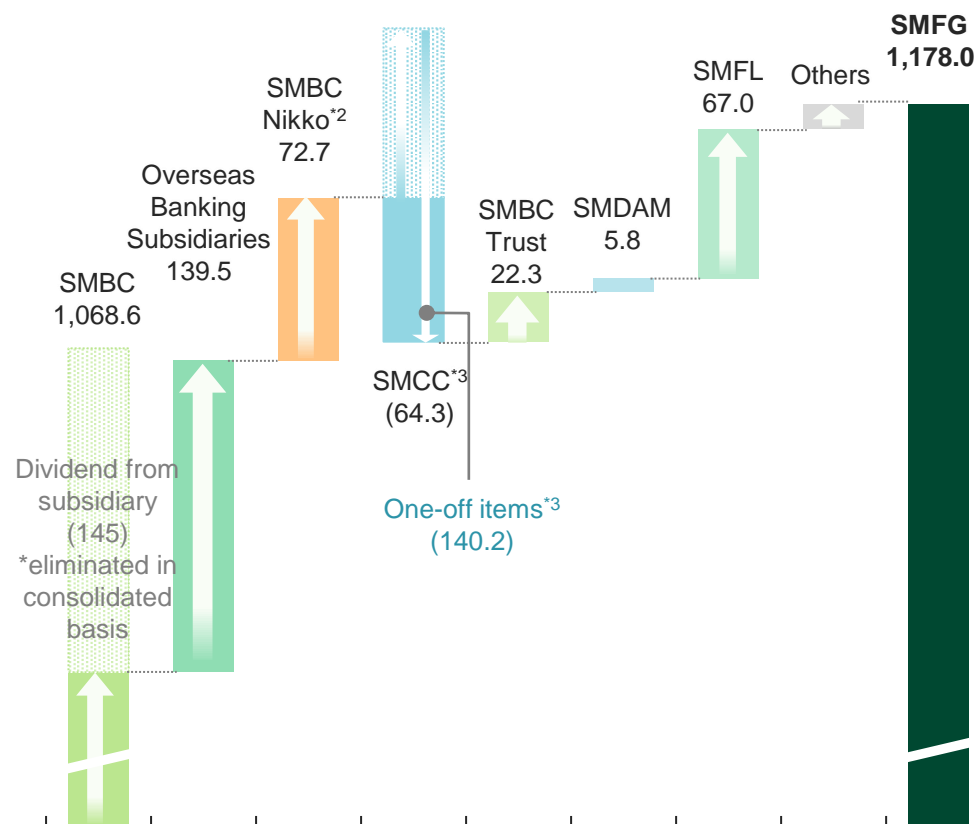
Consolidated net business profit (YoY)

(JPY bn)



Bottom-line profit (group companies)

(JPY bn)



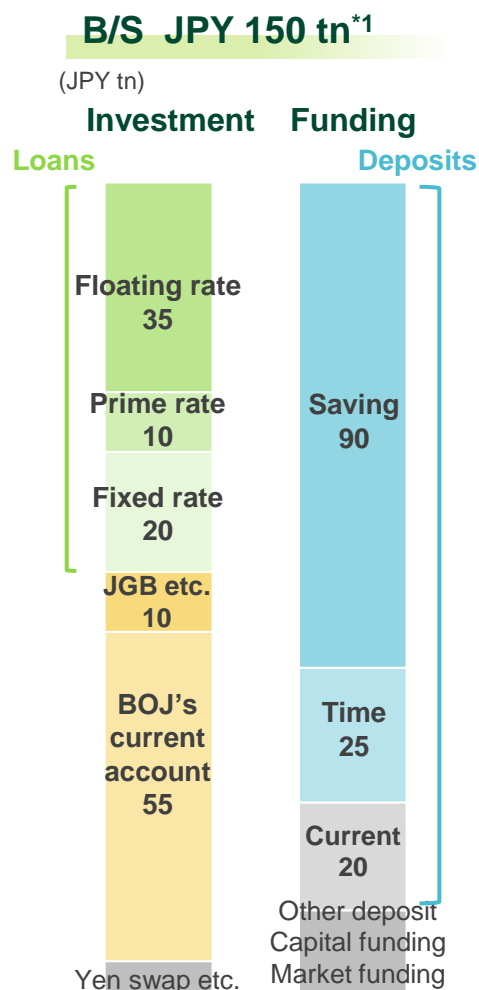
*1 Record JPY (53) bn to GB, excluding FX impact from JPY (56) bn in financial accounting.

*2 Including profits from SMBC Nikko America and SMBC Capital Markets (managerial accounting basis)

*3 Including SMBCCF (Excluding impact on the allowance on interest repayment and sales of low-profit assets : JPY 75.9bn)

Simulation of rise on JPY interest rates

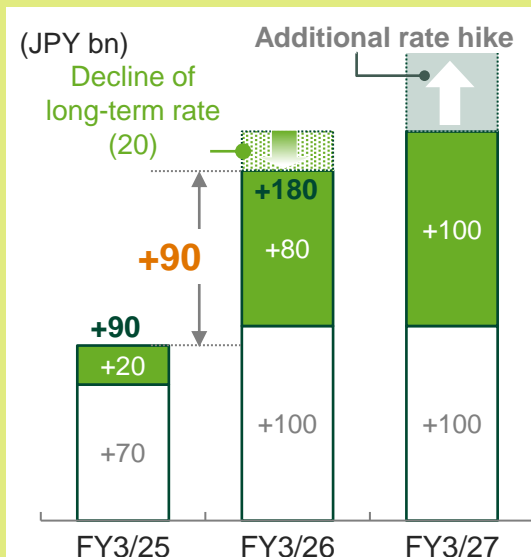
Based on our internal simulation, the impact of rising interest rates in FY3/26 could increase **net interest income (NII)** by JPY 90bn YoY, taking into account the recent decline in long-term interest rates.



Impact on net interest income (NII)^{*2}



NII contribution



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

Consider building JGB portfolio from ALM perspective while monitoring environment

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

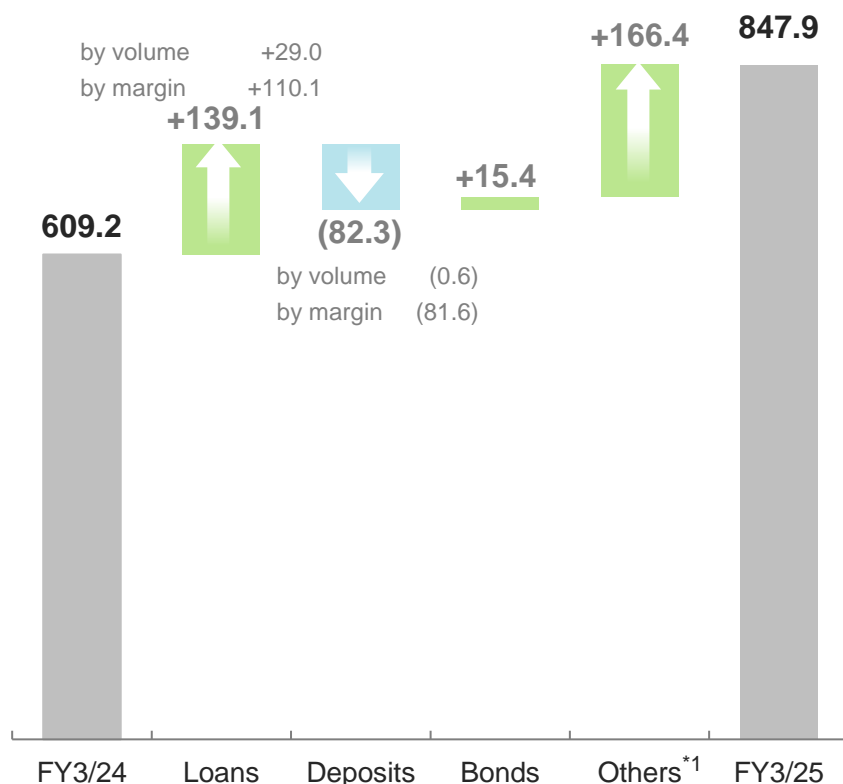
*3 +25bps increase in both short-term and long-term rate

Net interest income (SMBC)

Domestic

- Income from loans and deposits increased due to both loan volume and margins.
- Gains on cancellation of investment trusts increased under favorable stock market and policy rate hike.

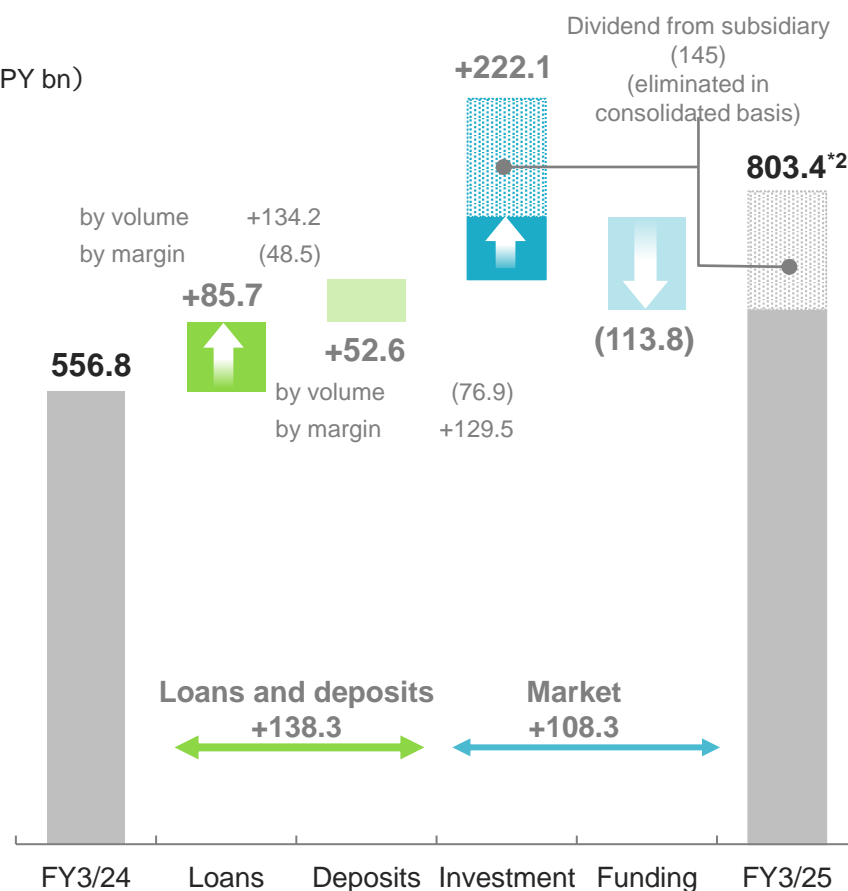
(JPY bn)



Overseas

- Income from loans and deposits increased due to profitability-focused management in foreign deposits as well as rate cut.

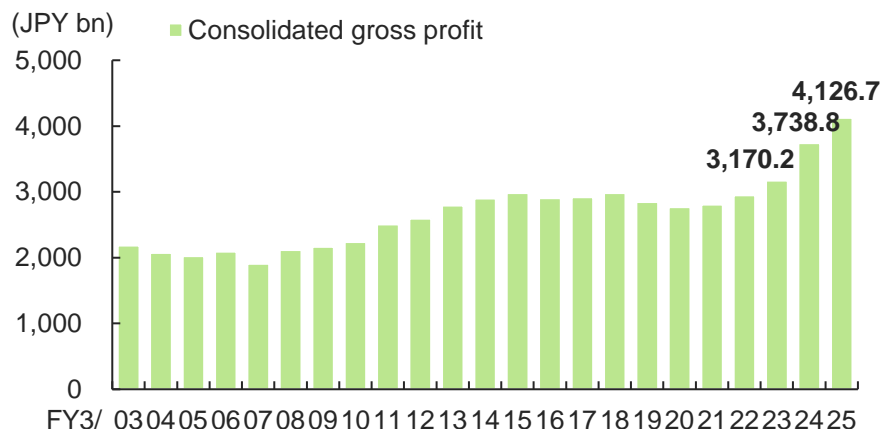
(JPY bn)



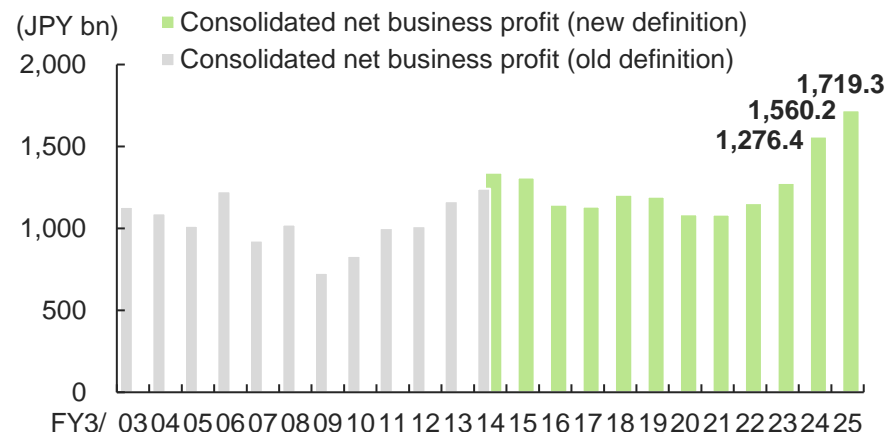
*1 Including gains on cancellation of investment trusts *2 Including dividend from subsidiary

Trend of major income components – Consolidated

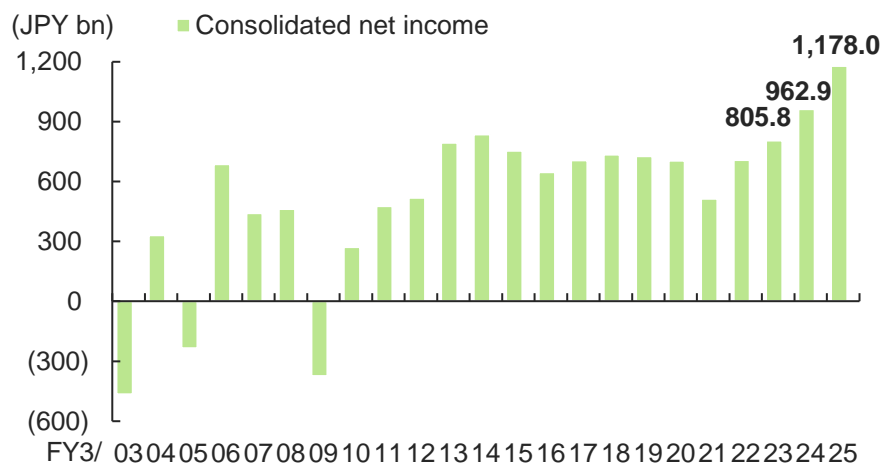
Consolidated gross profit



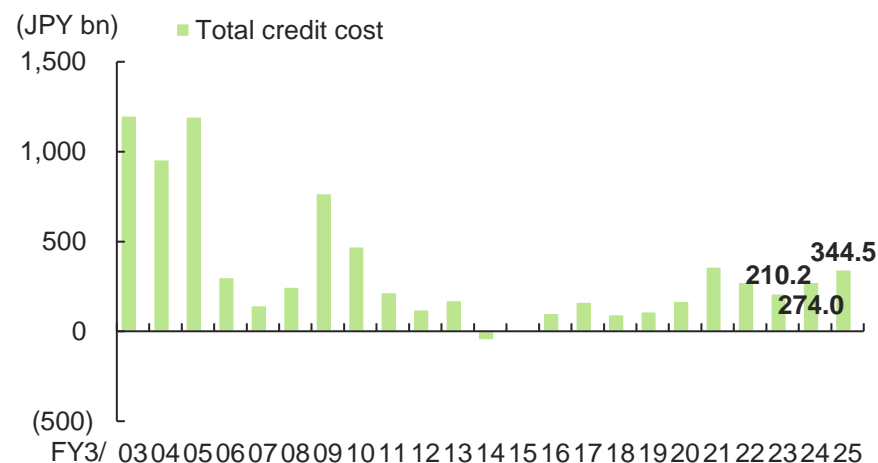
Consolidated net business profit*1



Net income / Profit attributable to owners of parent



Total credit cost

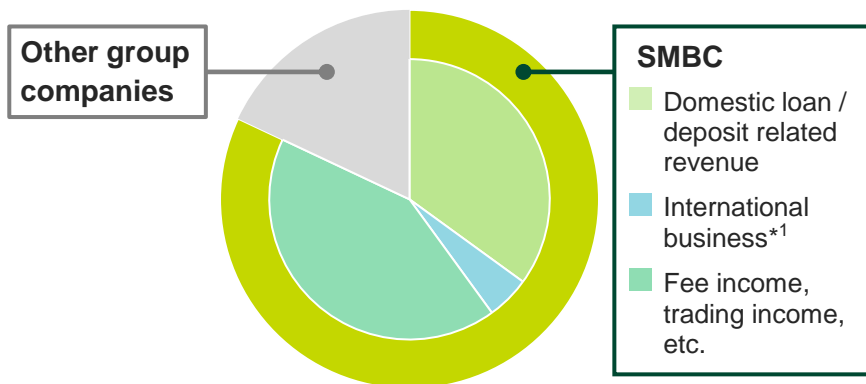


*1 We have changed the definition of “Consolidated net business profit” from FY3/15. The figure for FY3/14 has been adjusted retrospectively

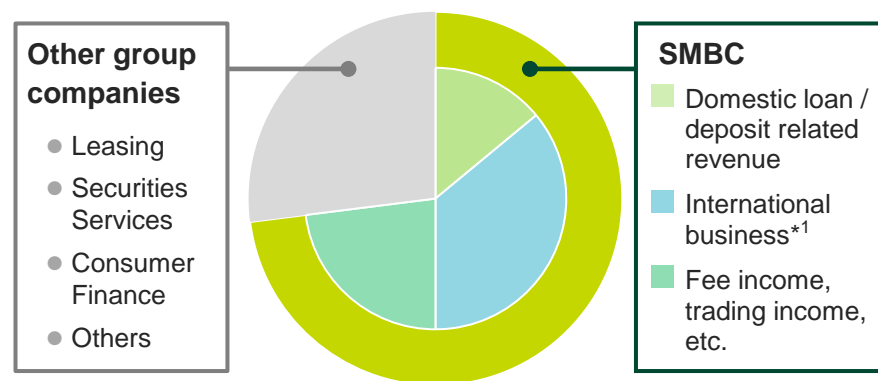
Diversified revenue sources

Breakdown of consolidated gross profit

FY3/03

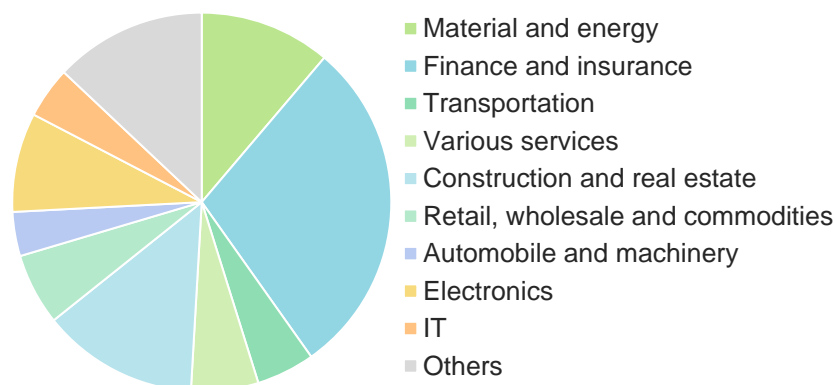


FY3/25

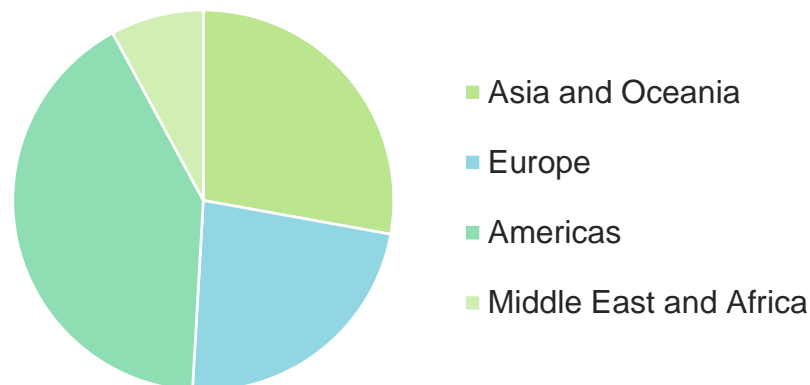


Breakdown of overseas loan balance (Mar. 25)

By industry

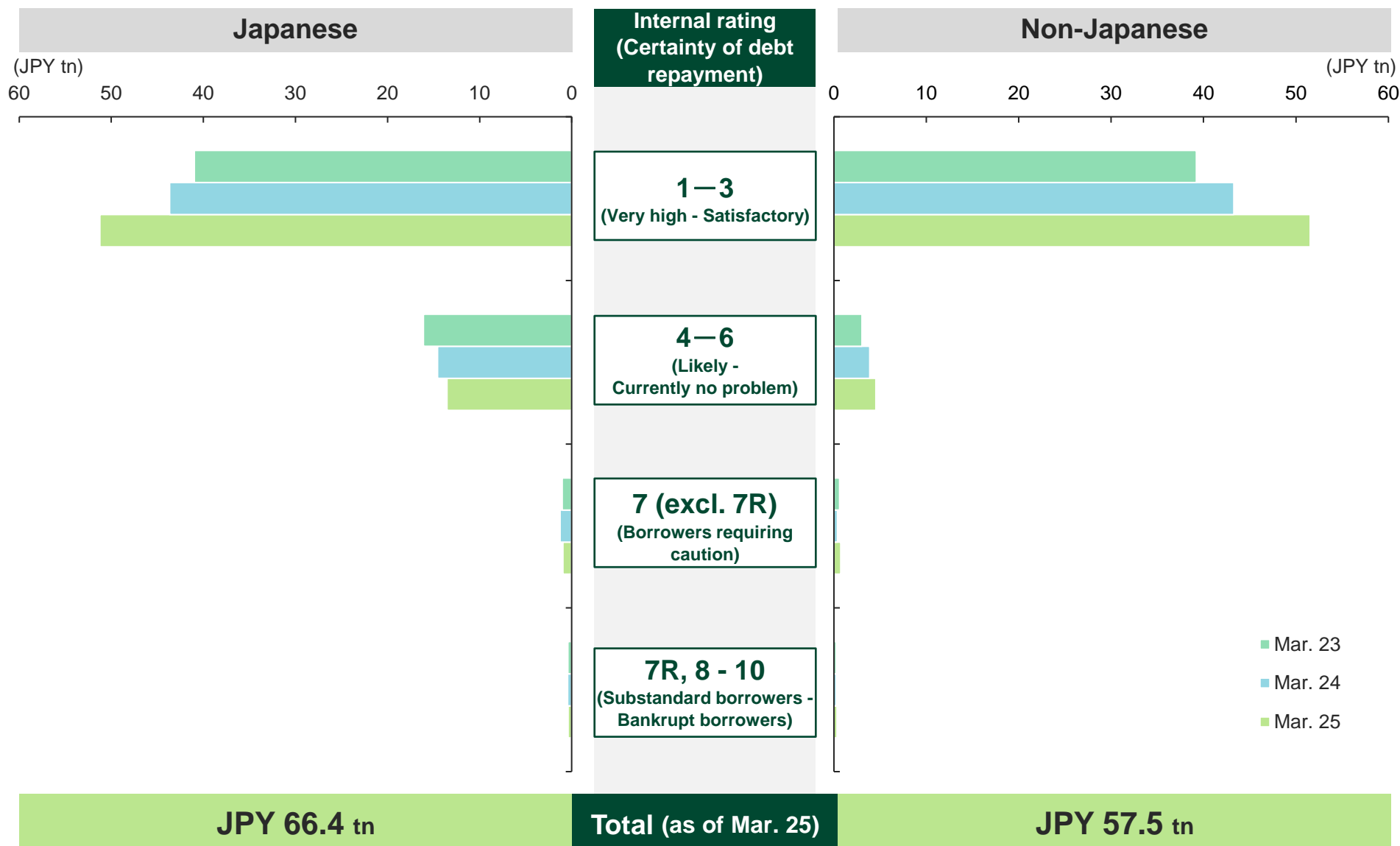


By domicile



*1 Including major overseas banking subsidiaries

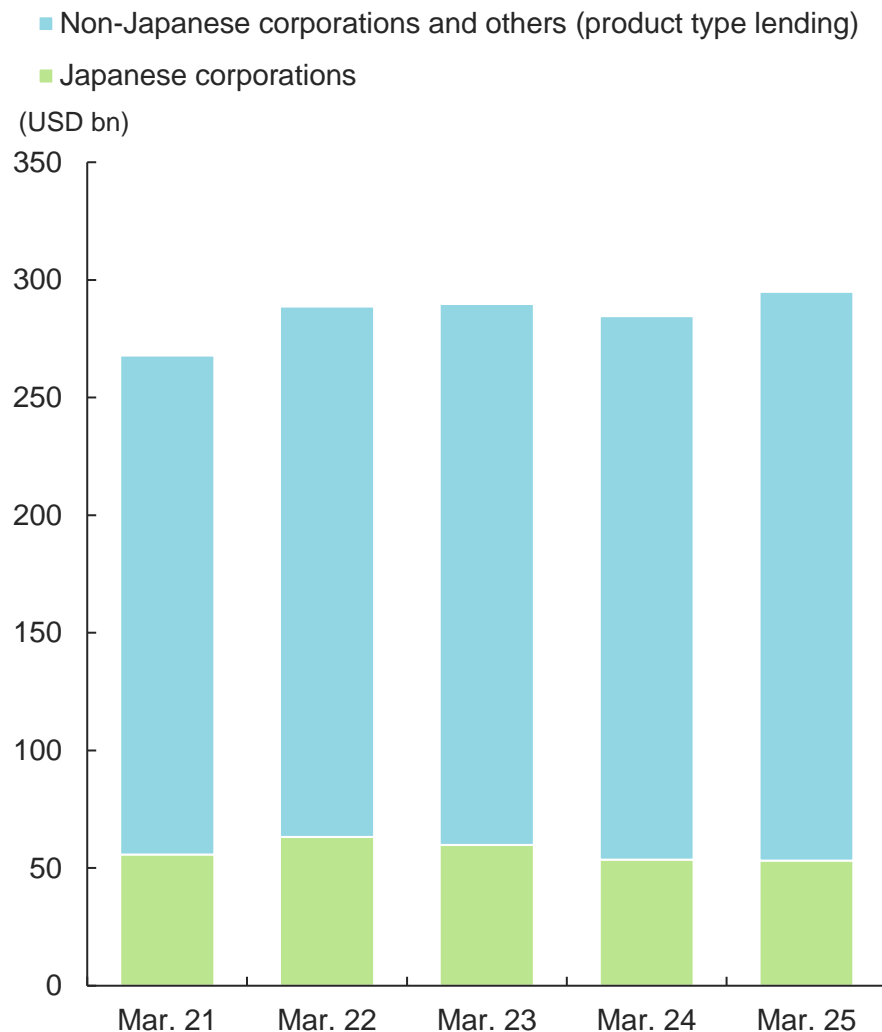
Japanese and non-Japanese corporate exposures^{*1}



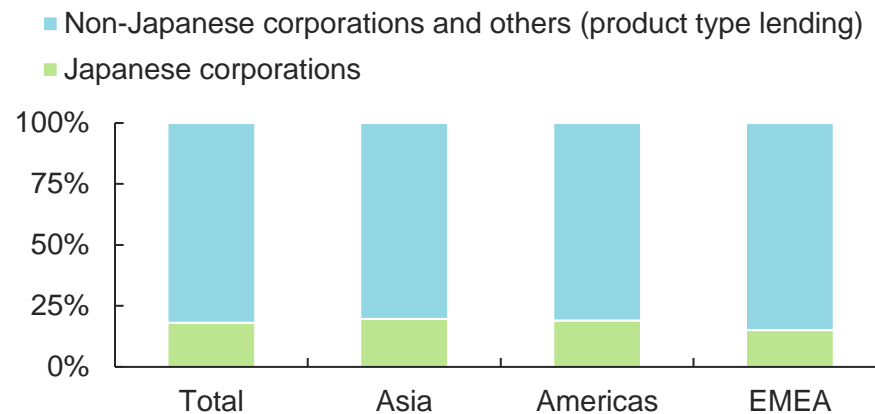
^{*1} Managerial accounting basis. Exposure include loans, acceptances and guarantees. Foreign exchanges, private placement, suspense payments, undrawn commitments, and derivatives, etc. Excluding the exposure to SMFG consolidated subsidiaries, retail customers in Japan, Japanese government, etc., and specialized lending

Overseas loan balance classified by borrower type*1

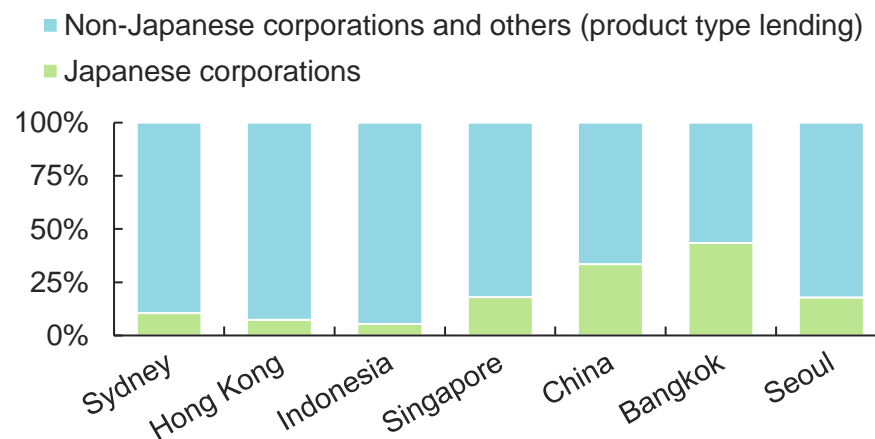
Total



By region (Mar. 25)



Major marketing channels in Asia (Mar. 25)*2

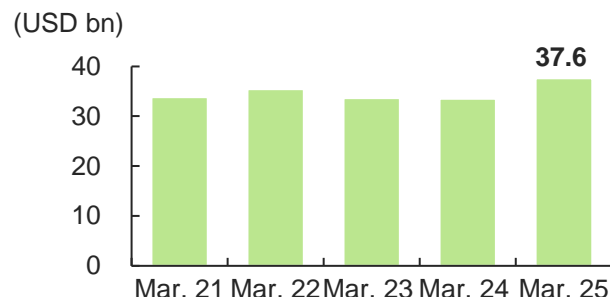


*1 Managerial accounting basis. Sum of SMBC and major local subsidiaries

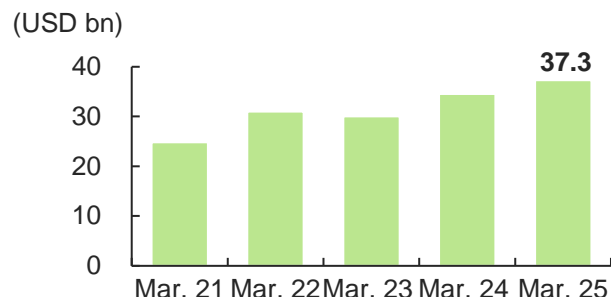
*2 Excluding BTPN in Indonesia

Exposure in selected APAC countries / areas^{*1}

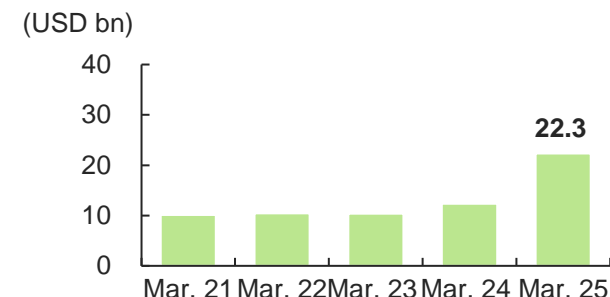
Australia



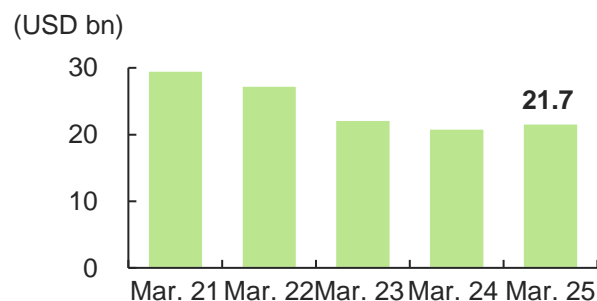
Singapore



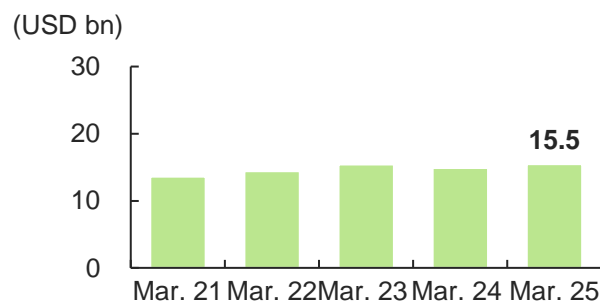
India



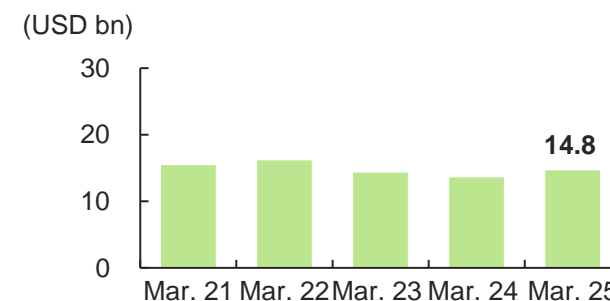
China



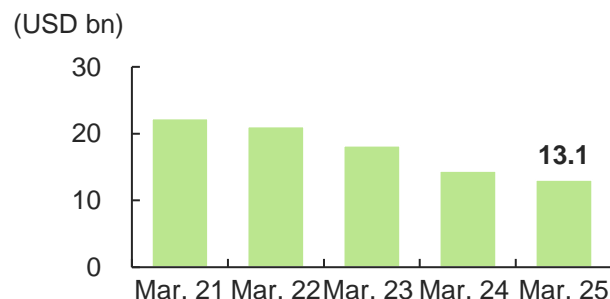
Indonesia



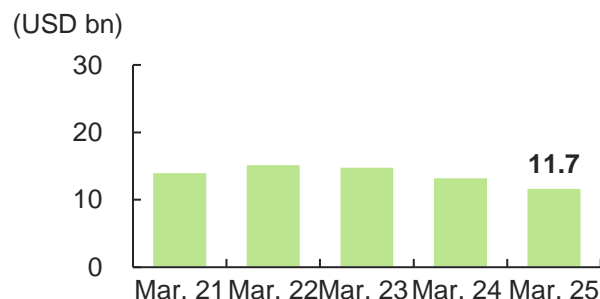
Korea



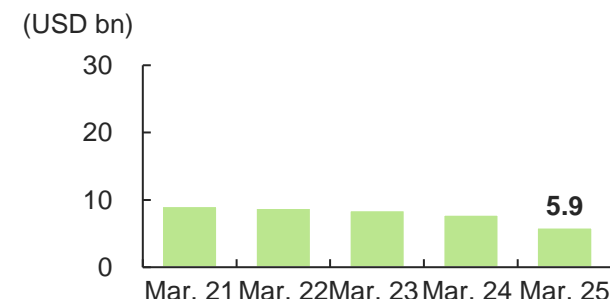
Hong Kong



Thailand



Taiwan

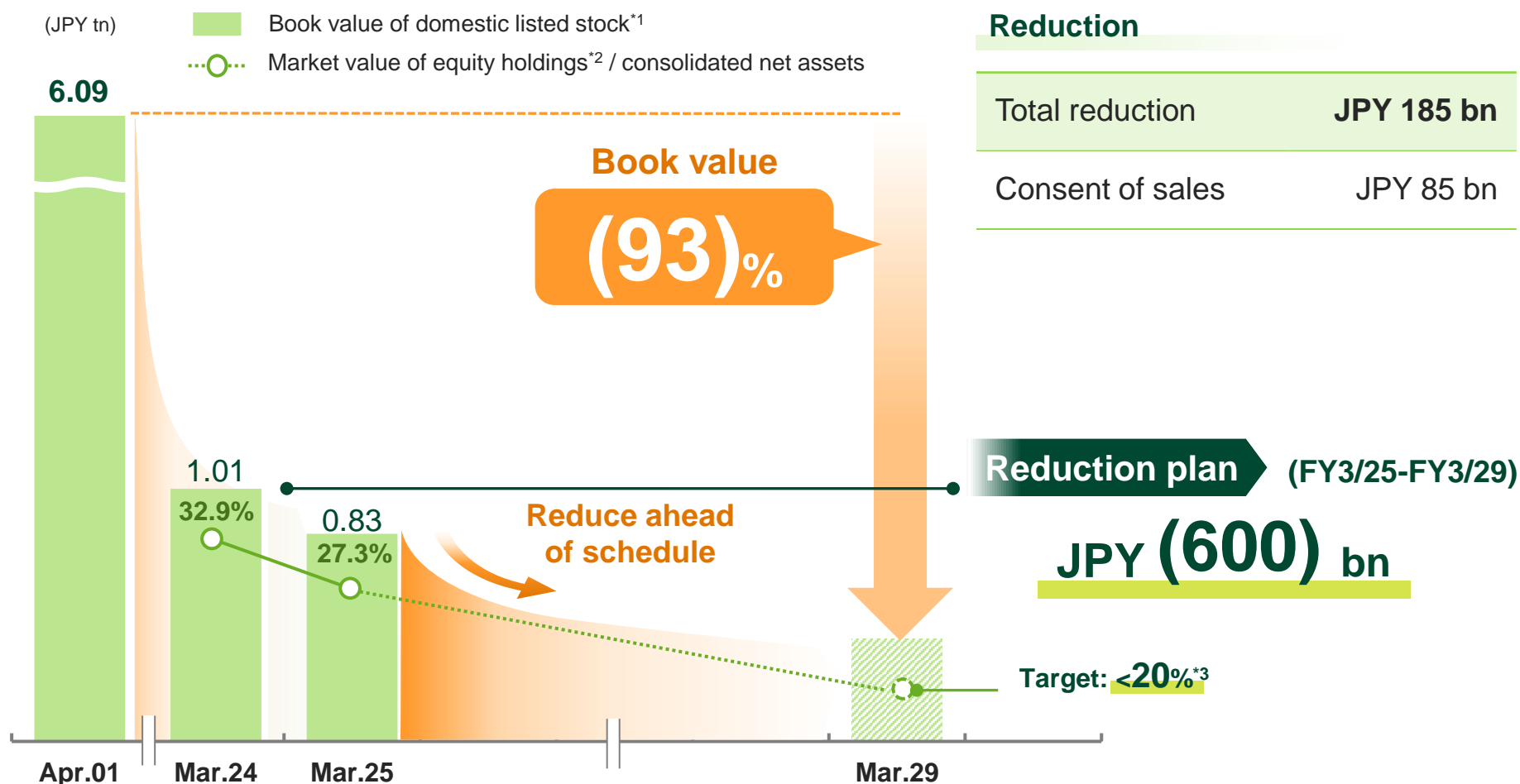


^{*1} Managerial accounting basis. Loans, commitment lines, guarantees, investments, etc.

Reduction of equity holdings

Achieved JPY 185 bn reduction in FY3/25 including few large sales.

Continue negotiations with clients to reduce exceeding the annualized pace of JPY 120 bn.



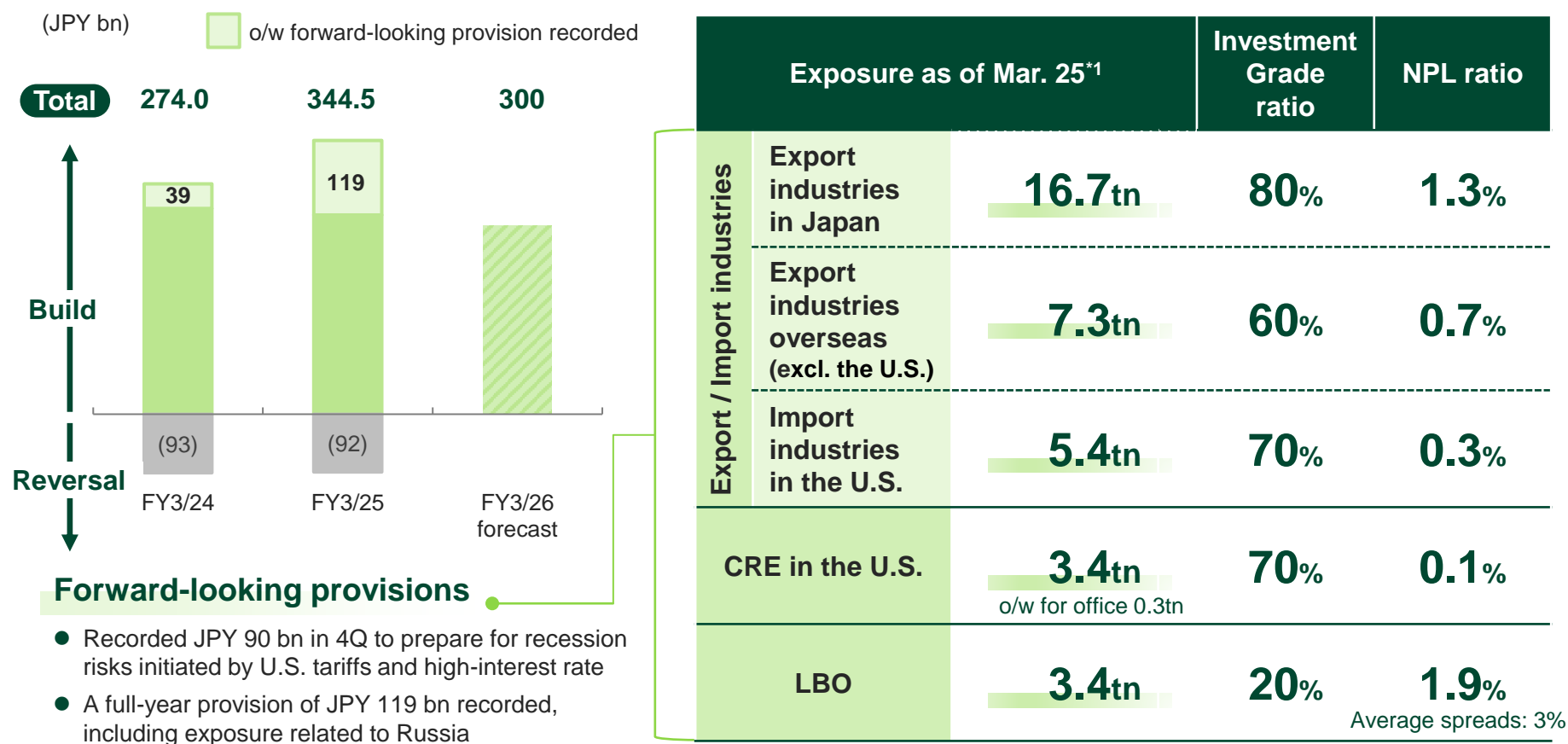
*¹ Excluding investments after Mar. 20 for the business alliance purpose *² Including balance of deemed held shares

*³ Expect c.16% based on Nikkei Index of JPY 35,618 as of Mar. 25

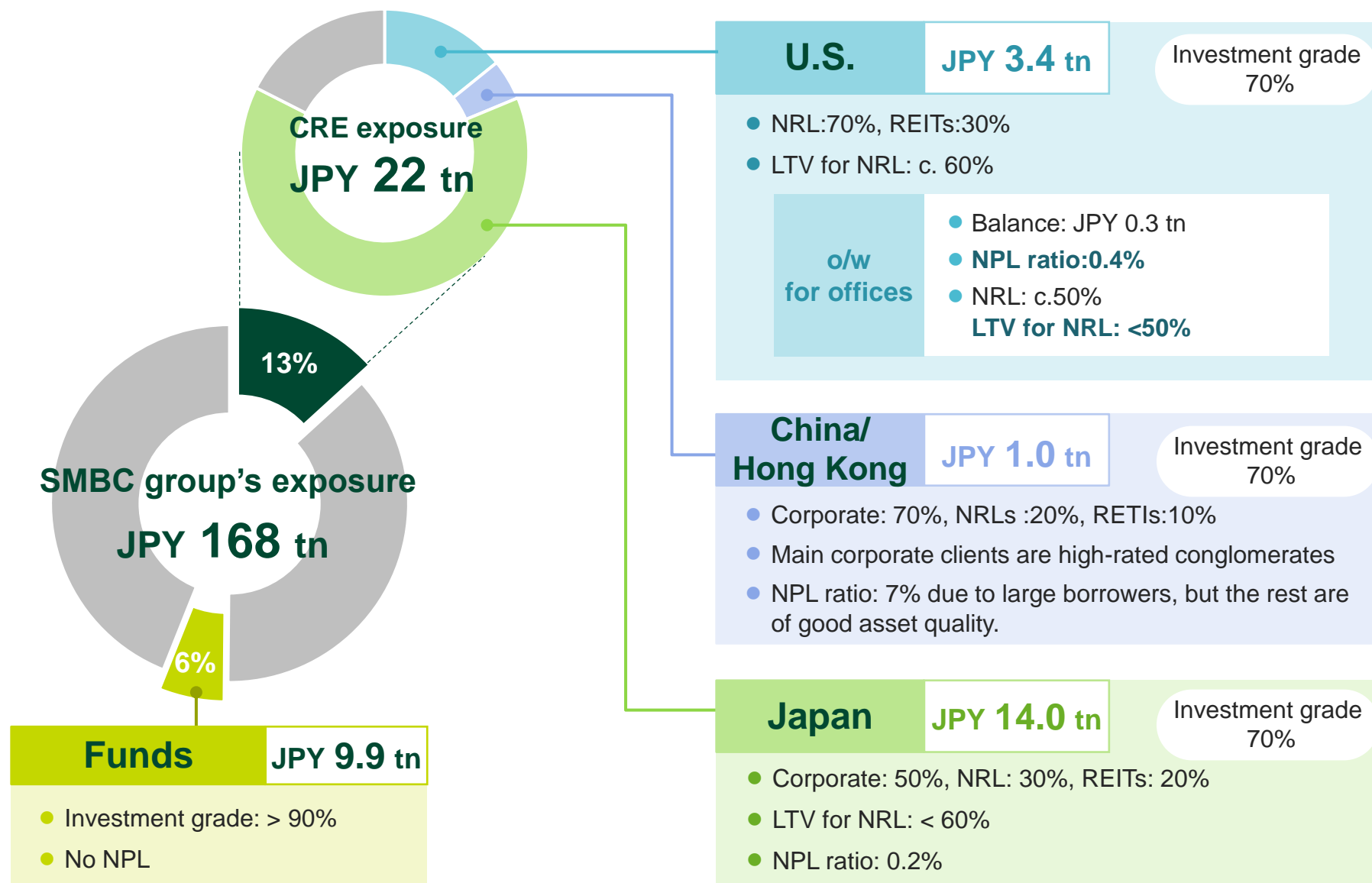
Credit costs / exposure

Recorded forward-looking provisions for industries vulnerable to recession risks in FY3/25.
Forecast JPY 300 bn of credit costs in FY3/26 considering the expansion of retail business.

Credit costs and forward-looking provision



CRE / funds exposure*¹ (as of Mar. 25)



*1 SMBC consolidated, calculated based on location for headquarter, managerial accounting basis

FY3/25 performance of SMBC and group companies

SMBC

	(JPY bn)	FY3/25	YoY	vs. target
1 Gross banking profit	2,256.6	+371.4		
2 o/w Net interest income	1,651.3	+485.3		
3 o/w Gains (losses) on cancellation of investment trusts	84.0	+63.2		
4 Domestic	847.9	+238.7		
5 Overseas	803.4	+246.6		
6 o/w Net fees and commissions	545.8	+16.1		
7 Domestic	251.8	+3.3		
8 Overseas	294.0	+12.8		
9 o/w Net trading income Net other operating income	56.0	(130.5)		
10 o/w Gains (losses) on bonds	(55.2)	(9.7)		
11 Expenses	1,072.2	+88.3		
12 Banking profit	1,184.4	+283.1		+164.4
13 Total credit cost	150.8	+54.5		+105.8
14 Gains (losses) on stocks	486.1	+250.2		
15 Extraordinary gains (losses)	(31.6)	(31.1)		
16 Net income	1,068.6	+305.9		+28.6

Dividend from
subsidiary
(+145)
⇒ eliminated in
the consolidated
P/L

Other major group companies

(left : results of FY3/25 / right : YoY)						
	SMBC Nikko ^{*1}		SMCC ^{*2}			
(JPY bn)						
Gross profit	520.6	+48.7	818.4	+18.1		
Expenses	435.3	+34.1	569.0	+13.2	(excl. one-off items) ^{*3}	
Net business profit	85.3	+14.6	182.8	(6.5)	242.0	+6.7
Net income	72.7	+15.1	(64.3)	(85.4)	75.9	+8.7

			(Equity method affiliate)			
	SMBC Trust		SMDAM ^{*4} 50.1%		SMFL ^{*5} 50%	
Gross profit	72.2	(0.6)	49.7	+7.3	305.9	+14.2
Expenses	42.6	+1.9	36.3	+3.1	140.3	+12.8
Net business profit	29.6	(2.5)	13.4	+4.2	177.7	+4.8
Net income	22.3	(3.5)	5.8	+1.5	133.9	+5.5

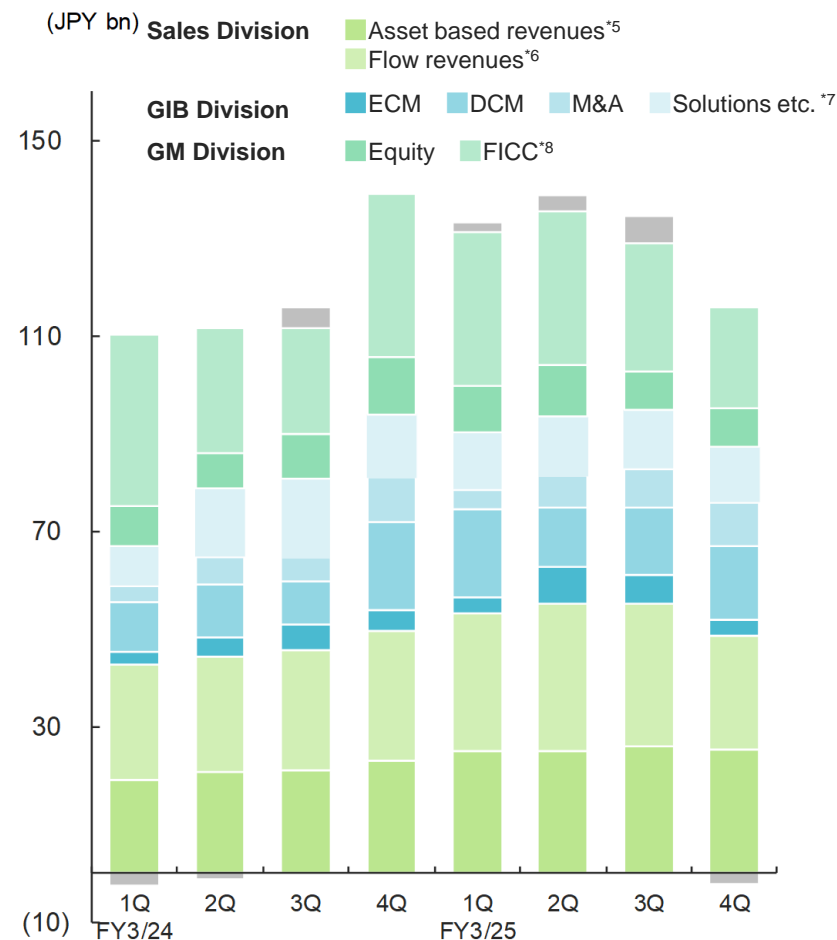
*1 Including profits from SMBC Nikko America and SMBC Capital Markets (managerial accounting basis) *2 Including SMBCCF

*3 Excluding impairment of FE Credit and the radical allowance on interest repayment, the gain on extinguishment of tie-in shares related to the merger with SMBCFS *4 Including SMBC Global Investment & Consulting *5 Managerial accounting basis

Financial results

	FY3/24	FY3/25	YoY
(JPY bn)			
Net operating revenue	473.5	520.5	+47.0
SG&A expenses	401.9	435.3	+33.4
Operating profits	71.6	85.2	+13.6
o/w Sales Division	10.1	30.1	+20.0
GIB Division ^{*2}	21.8	27.5	+5.7
GM Division ^{*3}	45.5	26.9	(18.6)
Ordinary profits	80.2	90.5	+10.3
Net income	57.6	72.7	+15.1
Client assets^{*4}			
(JPY tn)	82.7	81.0	

Net operating revenue



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

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

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

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

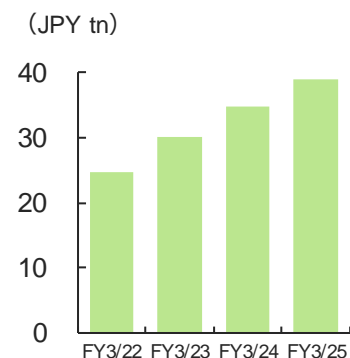
*8 Fixed Income, Currency and Commodities

SMCC (incl. SMBCCF)

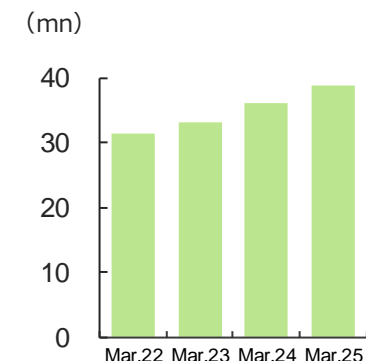
Financial results

(JPY bn)	FY3/24	FY3/25	YoY
Operating revenue	901.7	968.1	+66.4
o/w Commission fee	228.4	257.8	+29.4
Finance	306.4	326.0	+19.5
o/w SMBCCF	147.0	156.6	+9.7
Sales on credit and receipt agency	81.1	81.7	+0.7
Loan guarantee revenue	77.4	83.2	+5.8
Operating expenses	785.8	982.4	+196.6
o/w For loan losses	109.8	121.8	+12.1
o/w SMBCCF	54.0	63.8	+9.8
For interest repayment	23.0	141.5	+118.5
For loan guarantees	16.0	8.1	(7.9)
Ordinary profit	57.6	(78.6)	(136.1)
o/w Non-operating revenue	1.2	6.1	+4.9
Non-operating expenses	59.5	70.4	+10.9
Net income	21.2	(64.3)	(85.4)
Net income ^{*1}	67.2	75.9	+8.7
NPL ratio ^{*2}	10.04%	10.11%	
Allowance on interest ^{*2} repayments (provision)	4.0yrs	10.4yrs	

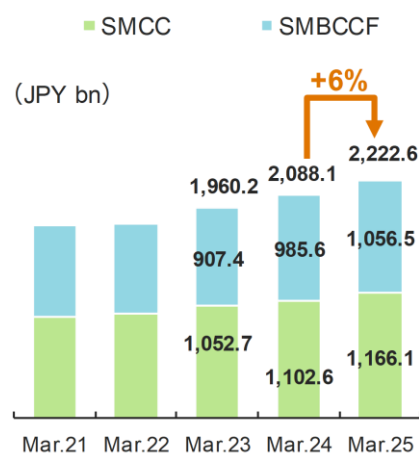
Sales handled



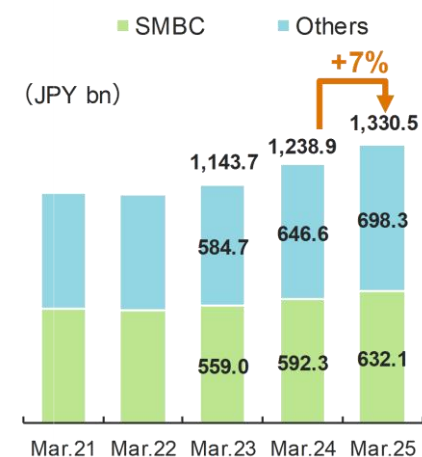
of card holders



Consumer loans ^{*3}



Loan guarantee ^{*2}



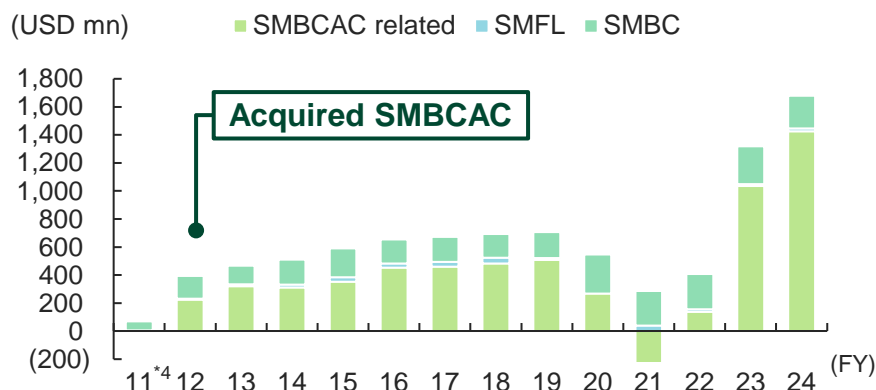
^{*1} Excluding the radical allowance on interest repayment, impairment of FE Credit, the gain on extinguishment of tie-in shares related to the merger with SMBCFS ^{*2} Only SMBCCF

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

Financial results

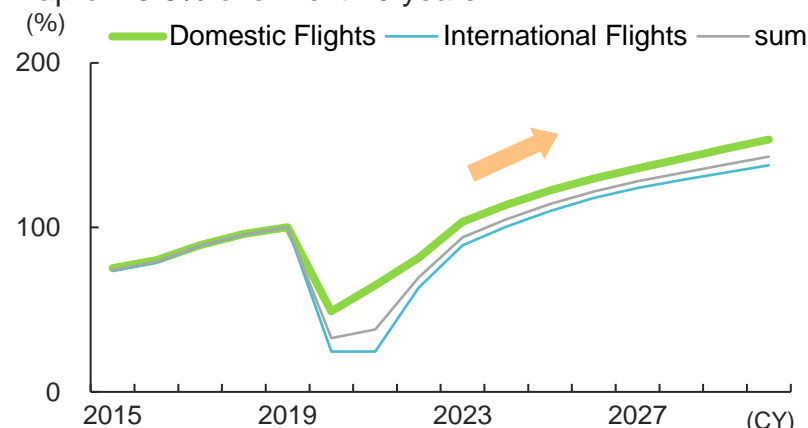
(USD mn)	FY3/24	FY3/25	YoY
Total revenue ^{*1}	2,717	2,577	(140)
o/w Lease revenue	1,877	1,965	+88
Credit / Asset ^{*2} impairment charges	(389)	(10)	+379
Net income	774	888	+114
Aircraft assets ^{*3}	22,484	23,373	+889
Net asset	5,379	6,140	+761
ROE	14.4%	14.5%	+0.1%

Aircraft business of SMBC Group

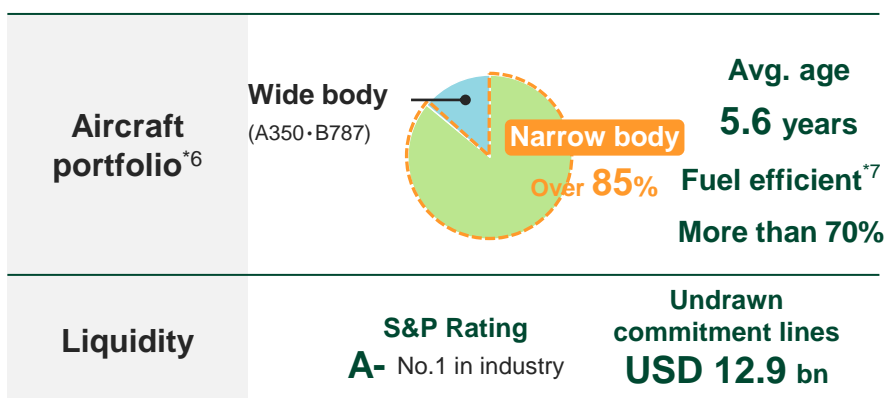


Global passenger demand forecast^{*5}

- Demand recovered pre-COVID-19 levels in Feb.2024
- # of passengers expected to increase at an annual rate of approx. 3.8% over next 20 years



Our strengths



*1 Including Russian insurance settlement (FY3/24: \$756mn, FY3/25: \$495mn) *2 Gross before netting guarantee deposits, etc.

*3 Including aircraft pre-delivery payment *4 IATA/Tourism Economics. Represent changes from CY-19

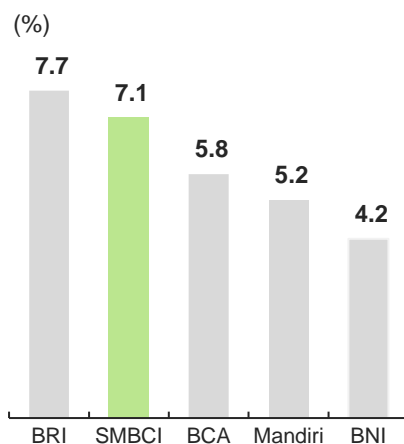
*5 SMBCAC related includes revenue after the acquisition in June. *6 As of Dec.24. *7 Neo/MAX/A350/B787

SMBC Indonesia

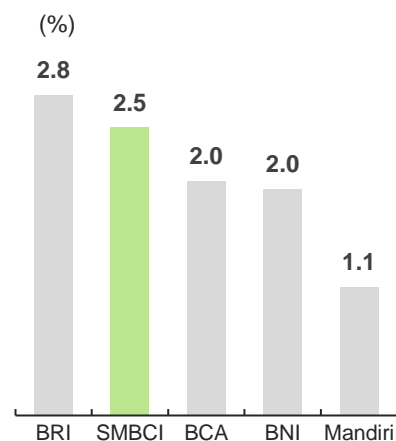
Financial results*1

(JPY bn)	2022	2023	2024	Jan.- Mar. 2025
Gross banking profit	116.1	127.8	176.5	41.7
Operating expenses	60.9	67.8	94.6	22.1
Credit-related cost	15.6	27.8	41.6	12.3
Net profit	26.3	22.2	27.6	4.6
ROE	9.6%	6.3%	6.8%	4.6%
Loans	1,242.0	1,424.7	1,758.2	1,692.8
Total Assets	1,777.9	1,833.8	2,362.7	2,161.1

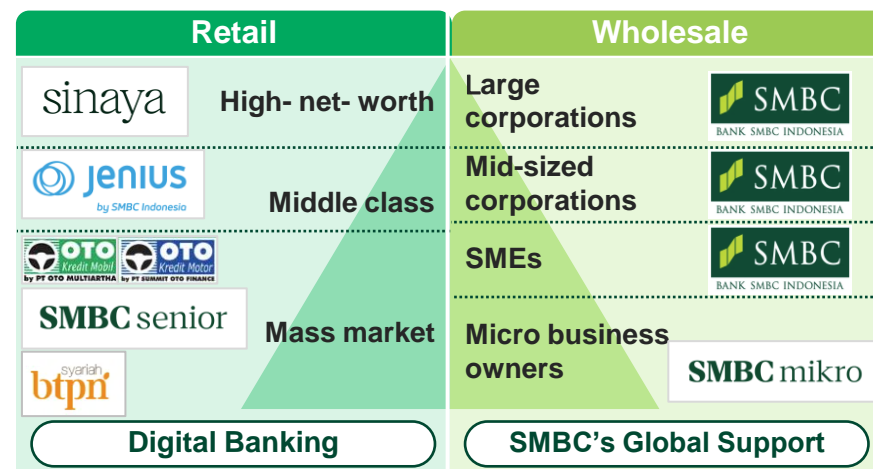
Net interest margin*2



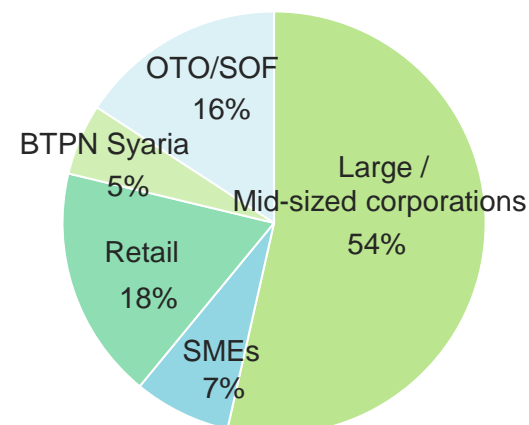
NPL ratio*2



Coverage



Loan breakdown (as of Mar. 25)



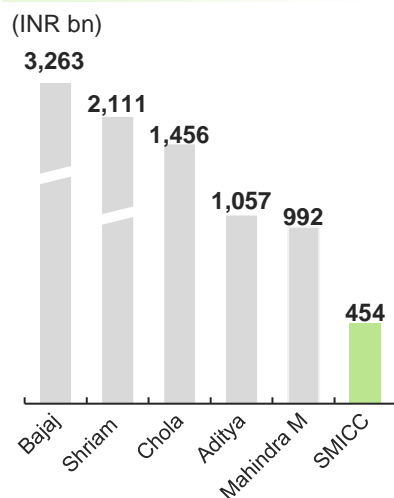
*1 TTM as of Dec.22 IDR 1= 0.0085, Dec.23 IDR 1= 0.0092, Dec.24 IDR 1= 0.0098, Mar. 25 IDR 1=0.0090

*2 Based on data published by each company (Dec.24 or Mar. 25 results)

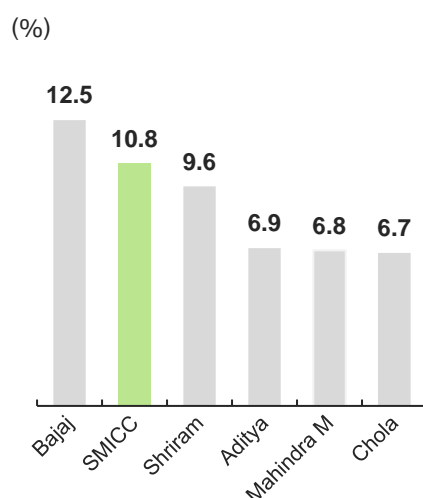
Financial results*1

(JPY bn)	FY3/22	FY3/23	FY3/24	FY3/25
Gross banking profit	40.8	58.8	91.3	113.8
Operating expenses	23.5	33.9	51.7	71.4
Credit-related cost	15.5	9.5	23.2	31.7
Net profit	1.2	11.6	12.1	7.8
ROE	1.9%	14.7%	12.2%	5.4%
Loans	411.4	596.8	822.5	997.3
Total Assets	441.4	666.7	877.6	1088.9

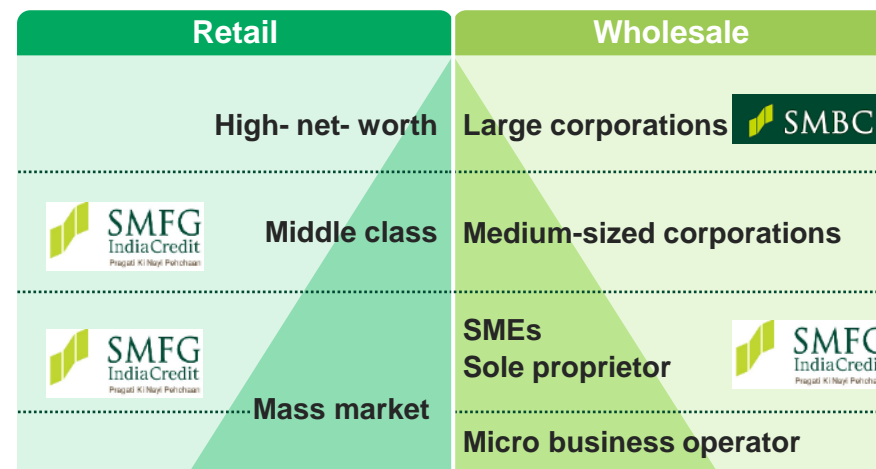
Loan balance*2



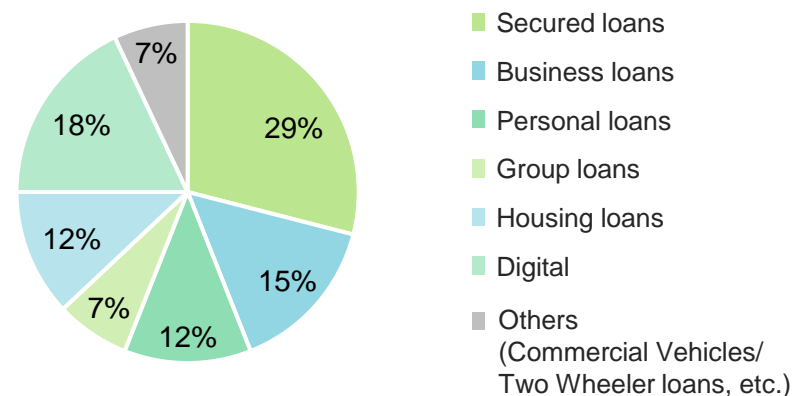
Loan spread*2



Coverage



Loan breakdown (Dec. 24)



*1 TTM as of Mar. 22: INR1=1.62, Mar. 23: INR1= 1.63, Mar. 24: INR1=1.81, Mar. 25 INR1=1.75

*2 Based on each company's published data (Mar 24 results)

VPBank / FE Credit

VPBank financial results^{*1}

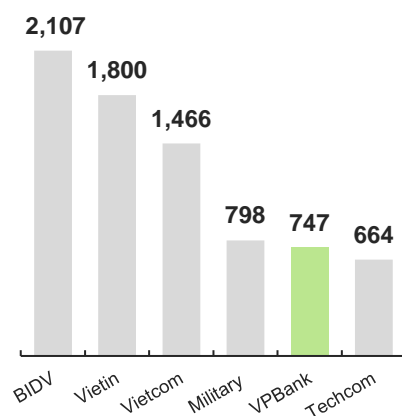
(JPY bn)	2022	2023	2024	Jan-Mar. 2025
Gross operating profit	323.7	303.4	386.0	90.3
Operating expense	79.0	85.0	88.9	22.5
Credit-related cost	125.8	152.5	173.0	38.7
Net profit	94.7	51.8	99.1	22.8
ROE	20.3%	9.3%	11.5%	10.8%
Loans	2,686.6	3,656.7	4,401.9	4,333.1
Total assets	3,533.7	4,987.2	5,727.9	5,765.4

FE Credit financial results^{*1}

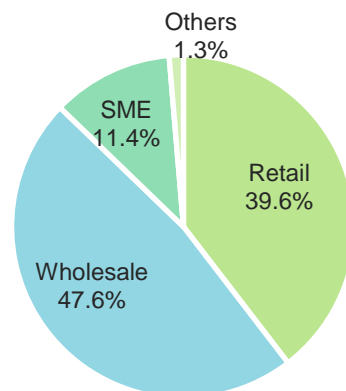
(JPY bn)	2022	2023	2024	Jan-Mar. 2025
Gross operating profit	84.9	81.0	98.2	23.5
Operating expense	34.3	28.0	24.3	5.0
Credit-related cost	75.3	75.6	70.8	18
Net profit	(13.3)	(18.0)	2.5	0.5
ROE	(16.5)%	(25.2)%	3.9%	0.7%
Loans	385.4	343.5	385.0	358.1
Total assets	428.2	384.7	419.4	396.4

Loans^{*2}

(VND tn)

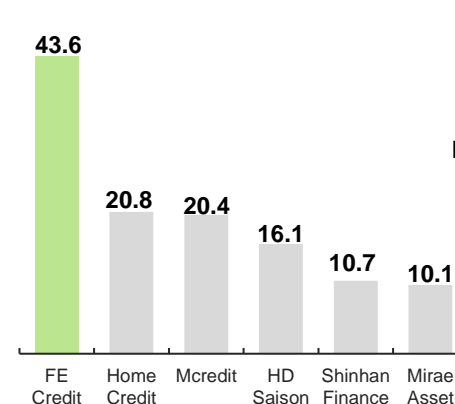


Loan structure^{*3}

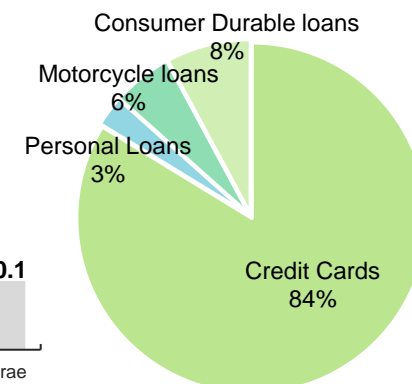


Loans^{*2}

(VND tn)



Loan structure



^{*1} TTM as of Dec.22:VND1=0.0056, Dec.23:VND1=0.0061, Dec.24:VND1=0.0062, Mar. 25:VND1=0.0058

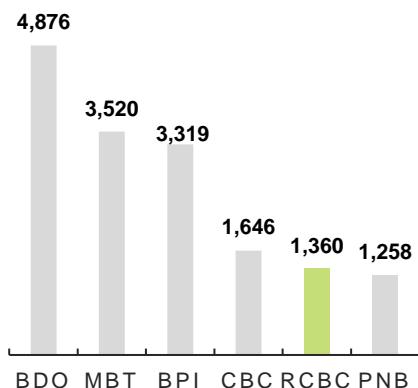
^{*2} VPBank: Based on Bloomberg data (Mar 25 results) FE Credit: Based on FiinGroup data (Dec 24 results) ^{*3} Non-Consolidated

Financial results^{*1}

(JPY bn)	2021	2022	2023	2024
Gross operating profit	81.9	105.8	127.9	145.8
Operating expenses	50.7	59.7	75.8	86.8
Credit-related cost	13.6	13.6	17.7	23.5
Net profit	15.9	28.8	31.3	26.0
ROE	6.7%	11.2%	9.5%	6.0%
Loans	1,211.2	1,330.1	1,663.8	1,904.8
Deposits	1,513.0	2,040.2	2,449.2	2,703.9
Total assets	2,158.0	2,746.8	3,170.1	3,508.0

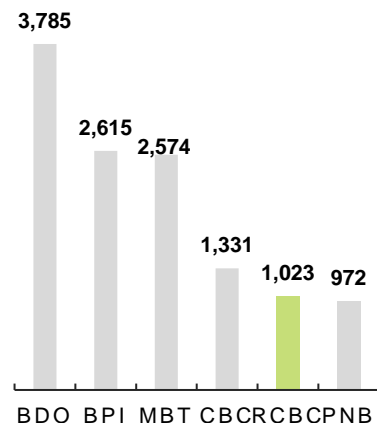
Total assets^{*2}

(PHP bn)

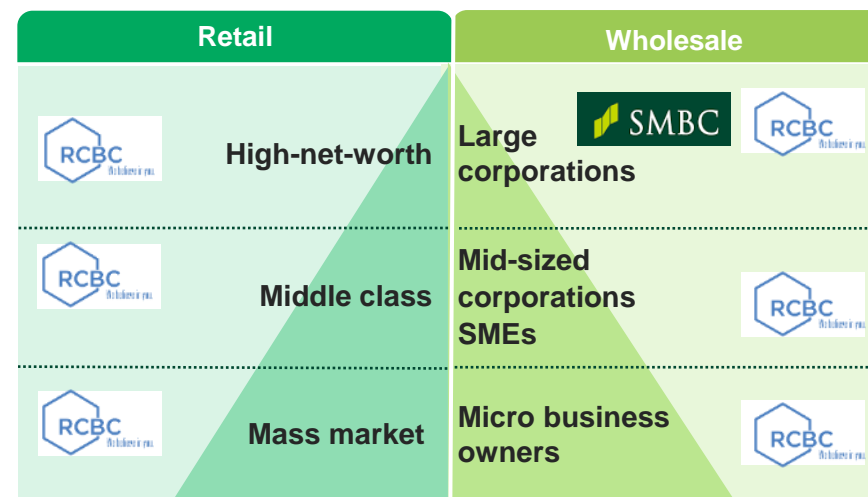


Deposits^{*2}

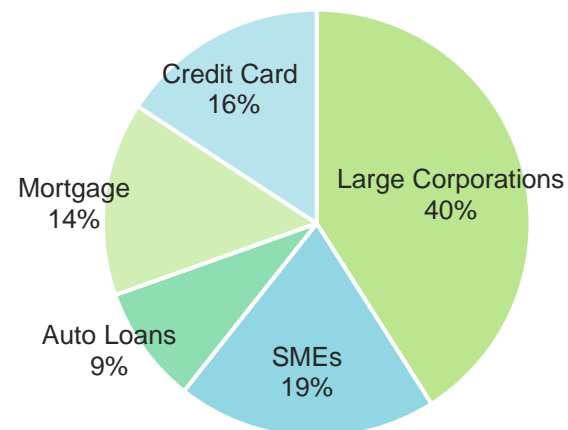
(PHP bn)



Coverage



Loan breakdown (Dec. 24)



^{*1} TTM as of end of Dec.21:PHP=2.25,Dec.22:PHP=2.38, Dec.23:PHP= 2.56, Dec.24:PHP=2.73

^{*2} As of the end of Dec. 24

Build digital-based retail business centered on Olive (1)

The number of Olive accounts has exceeded 5 mn, delivering steady results across all product, with retail deposit balances showing a higher growth rate compared to peers.

Olive

of accounts

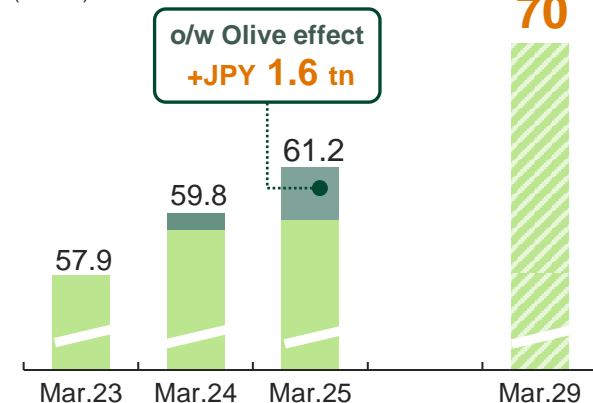
Mar. 23 – Mar. 25 **5 mn**

Banking

SMBC

Balance of retail deposit

(JPY tn)



Growth rate of personal deposit (Mar. 23⇒Mar. 25)^{*1}

SMBC

+5.8%

Peer A

+3.0%

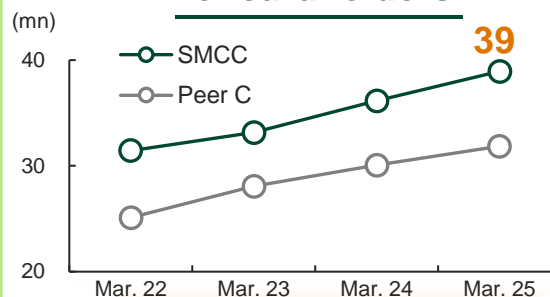
Peer B

+2.0%

Credit card

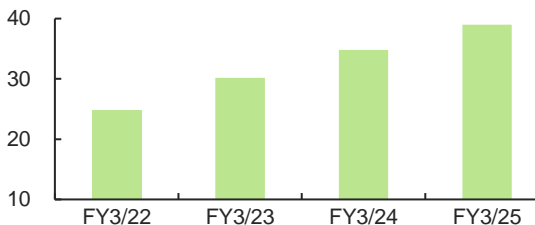
SMCC

of cardholders^{*1}



Sales handled

(JPY tn)



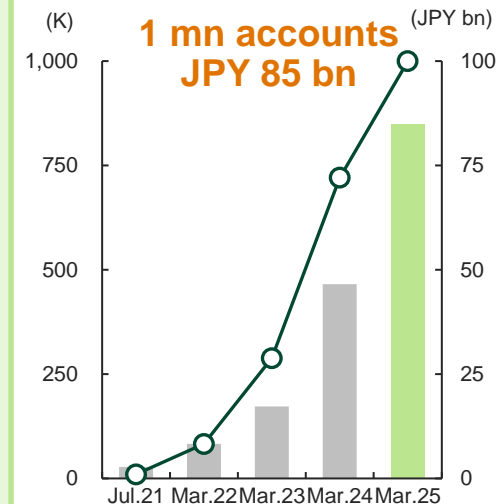
Wealth Management

SMCC

SBI

Credit card installment investment

- # of SBI brokerage accounts
- SMCC installment / Month (right)

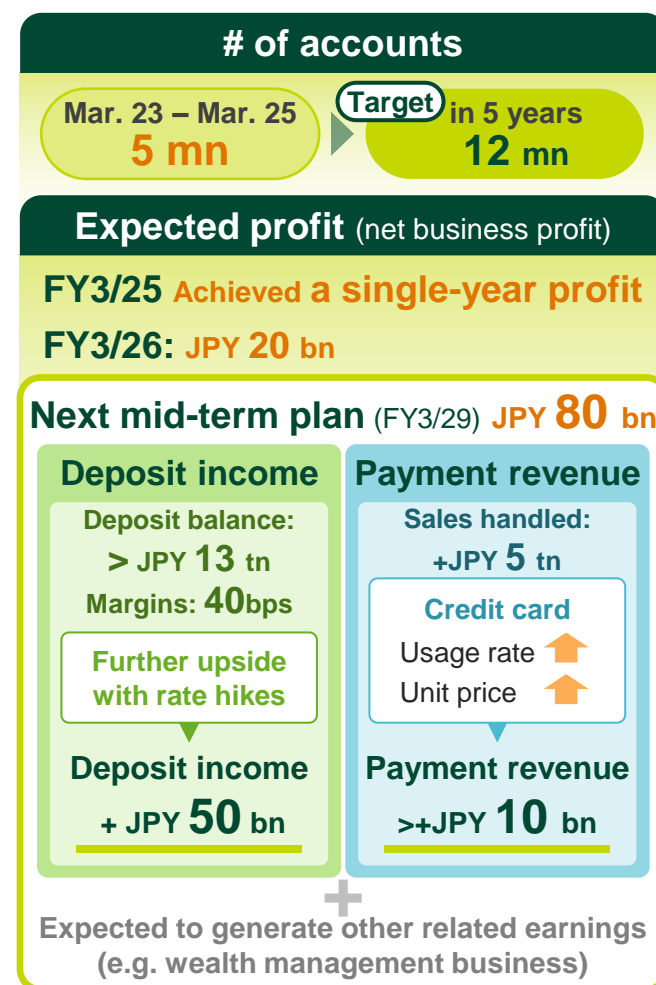
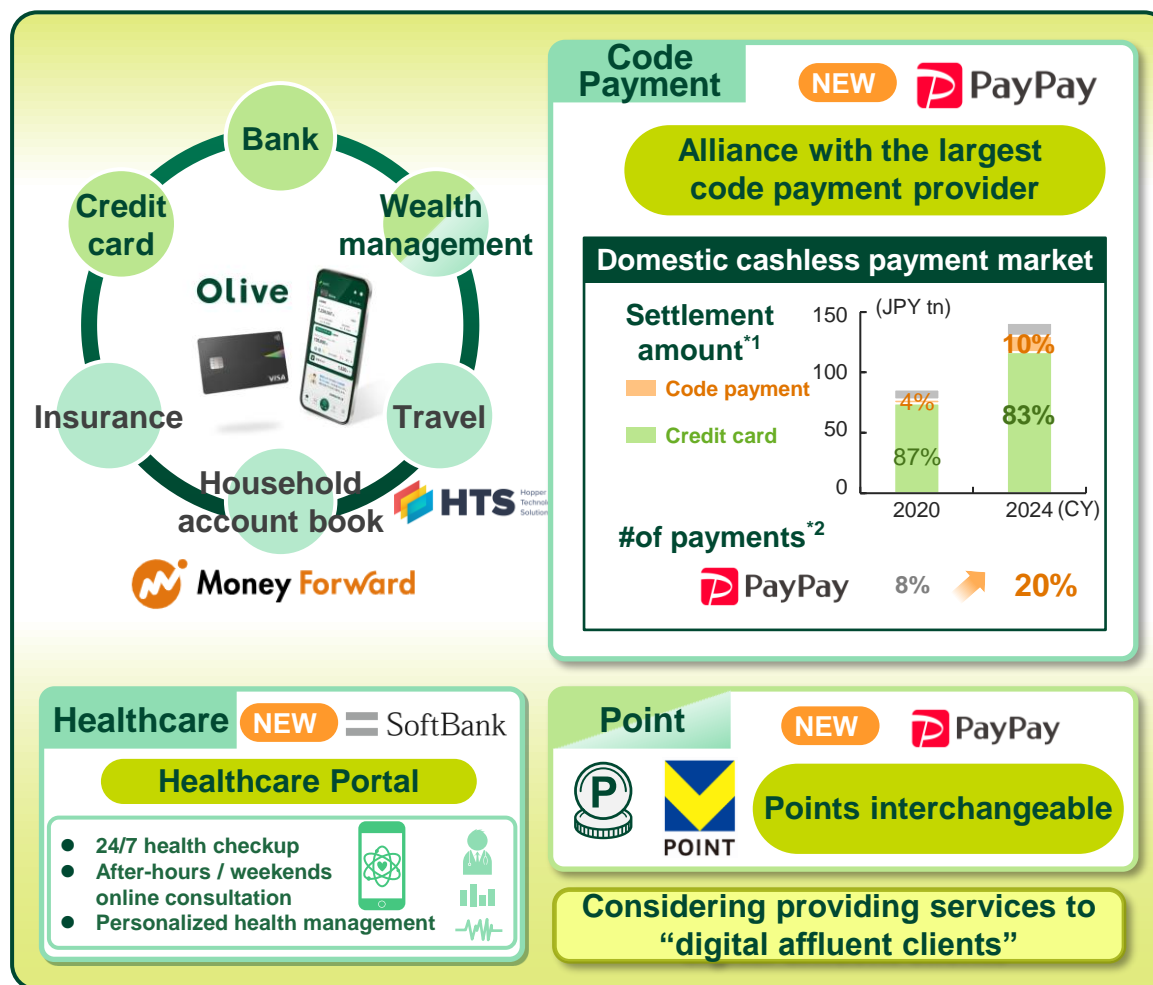


*1 Based on each company's disclosed materials.

Build digital-based retail business centered on Olive (2)

Collaborate with external partners to further enhance Olive's functionality.

Aim for 12 mn accounts in five years and JPY 80 bn profit contribution by FY3/29.

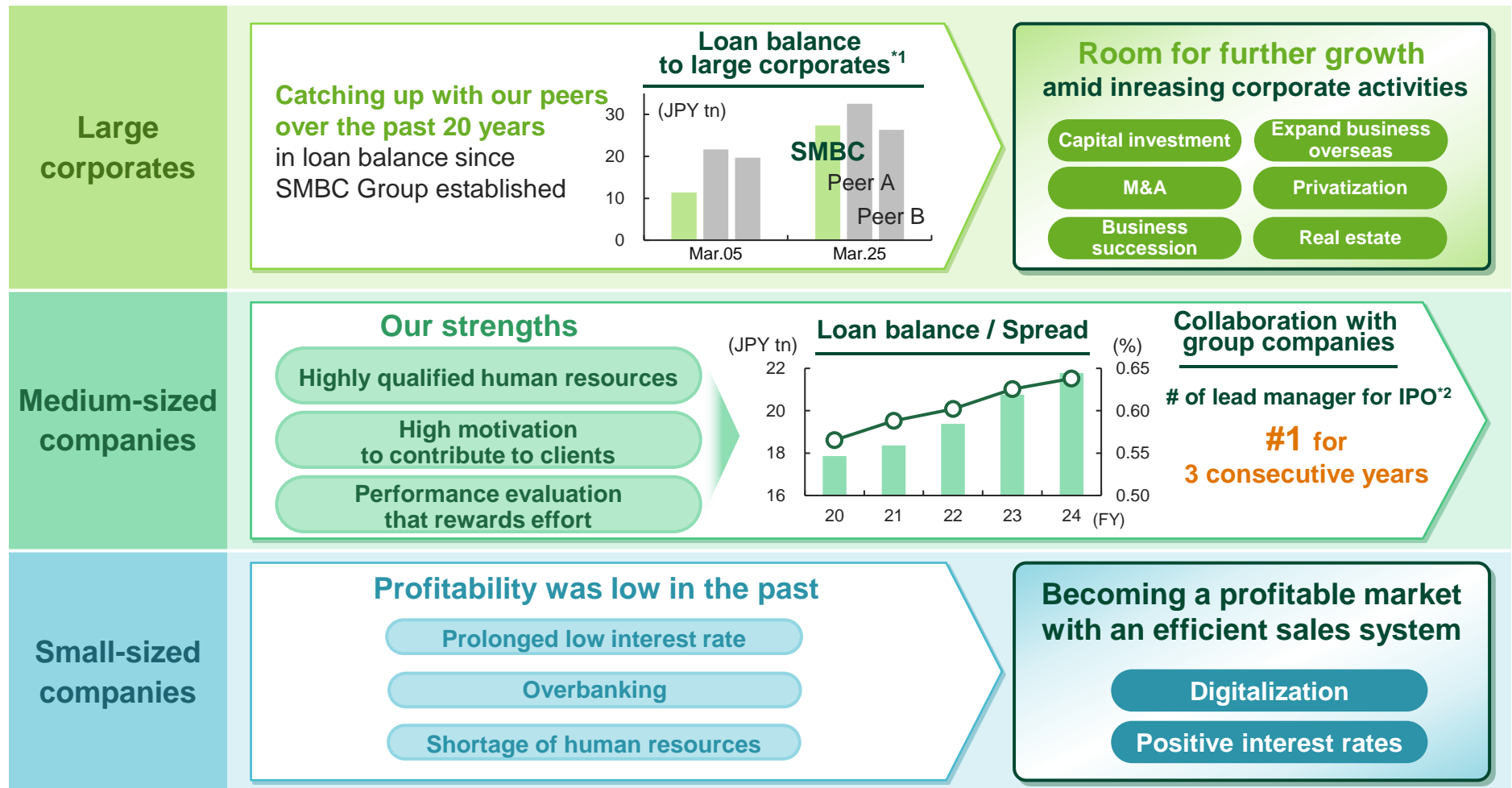


*1 Source: Ministry of Economy, Trade and Industry: "Breakdown of Cashless Payment Amount and Ratio (2010~2024)"

*2 Estimated by PayPay

Our position in domestic wholesale business

Our strength lies in the medium-sized companies segment. Further expand profits by enhancing the ability to respond to large corporates and thoroughly digitize SME business to increase profitability.

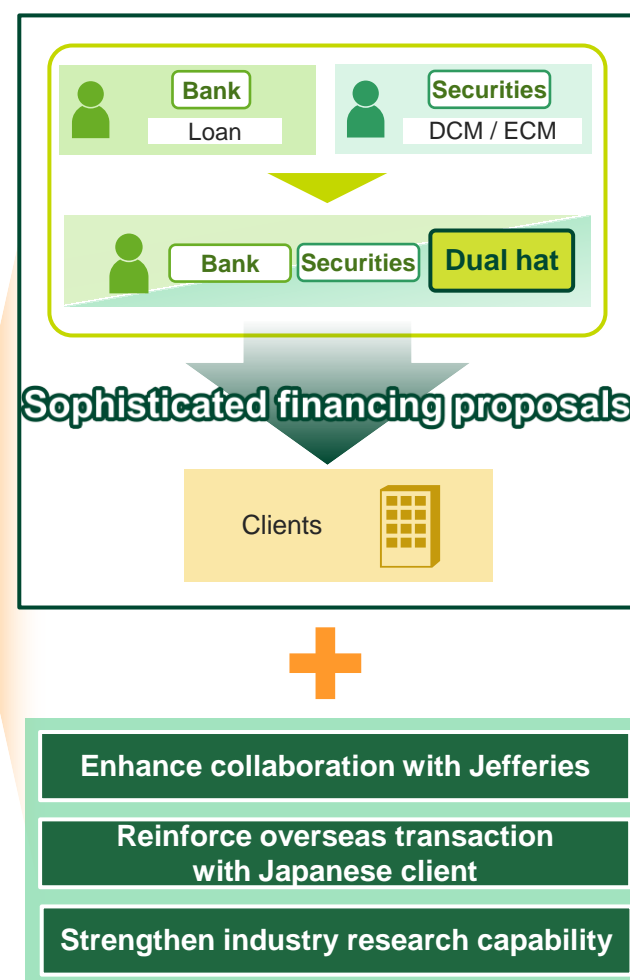
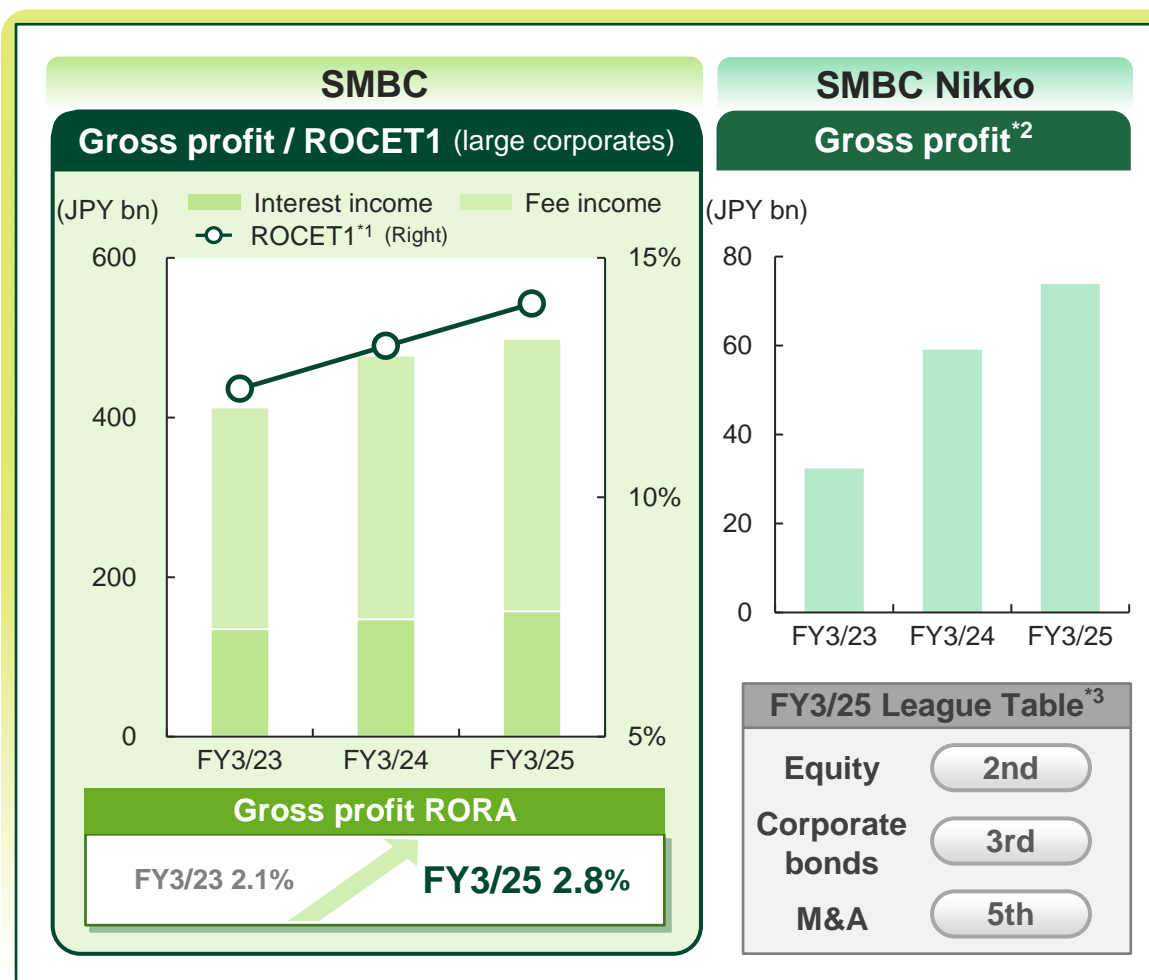


*1 The chart is made by materials disclosed by each company

*2 Created by SMBC Nikko based on information from LESG

Enhance domestic large corporate business

Both gross profit and capital efficiency of banking business have been growing, while securities business has room to expand. Enhance competitiveness by integrated approach and collaboration with Jefferies.



*1 Internal management base, excl. equity holdings *2 Domestic gross profit attributable to WS

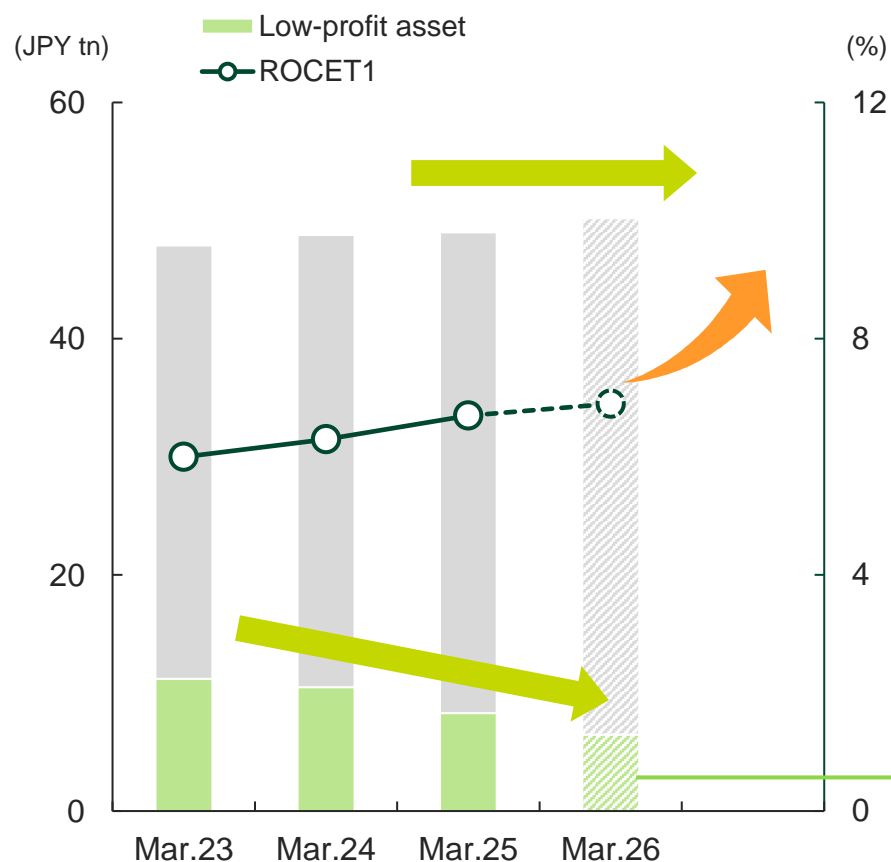
*3 Source: LSEG. Equity: underwriting amount as lead manager, M&A: # of Japanese corporate deals >JPY 10 bn, corporate bonds; amount of lead manager deals (excl. self-led deals)

Dynamic profitability improvement in global business

Improvement of capital efficiency is top priority in the Global Business Unit.

Control RWA balance by reducing low-profits assets and reallocating it in growth areas.

Global business unit RWA^{*1}



Multi-Franchise Strategy P.49

Global CIB P.52

Investment

RWA balance control

Reduction

FY3/25

FY3/24

FY3/25

Low-profits asset JPY 10.5 tn JPY (2.2) tn JPY 8.3 tn

Project finance JPY (0.6) tn

Non-Japanese Corp. JPY (0.6) tn

FY3/26 Plan

Consider sale of assets and reduce low-profits assets even further

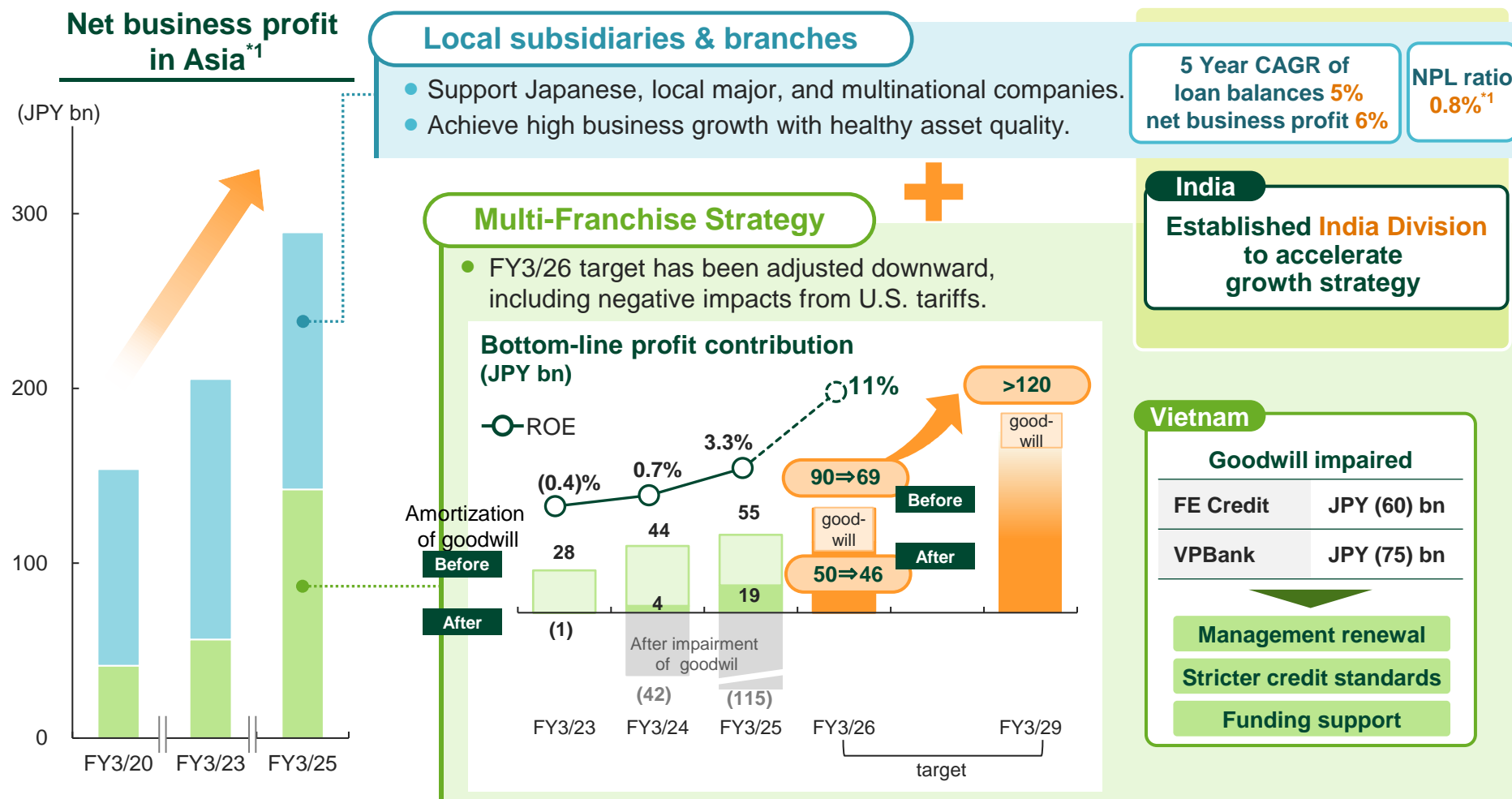
Formulate policies for each company

Sophisticate verification system of profitability

*1 Based on FY3/24, the exchange rate is fixed at JPY 140 each fiscal year.

Drive further growth in Asia

Business in Asia is showing high growth, but Multi-Franchise Strategy lagged behind the initial plan. Firmly support each investee's growth strategy and strive to catch up early.



^{*1} Managerial accounting basis. Excluding the amortization and impairment of goodwill.

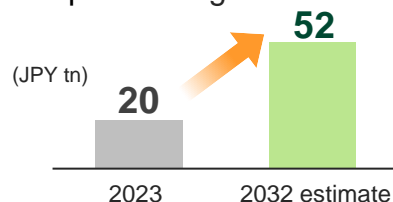
Investment in YES BANK

Decided to invest in commercial bank in India, the last missing piece in Multi-Franchise Strategy.*¹
Focus on maximize returns without expanding into additional countries or in new businesses.

Rational of investment

1 High growth potential of Indian commercial banks

- Fee pool is expected to grow **2.5x** in 10 years*²



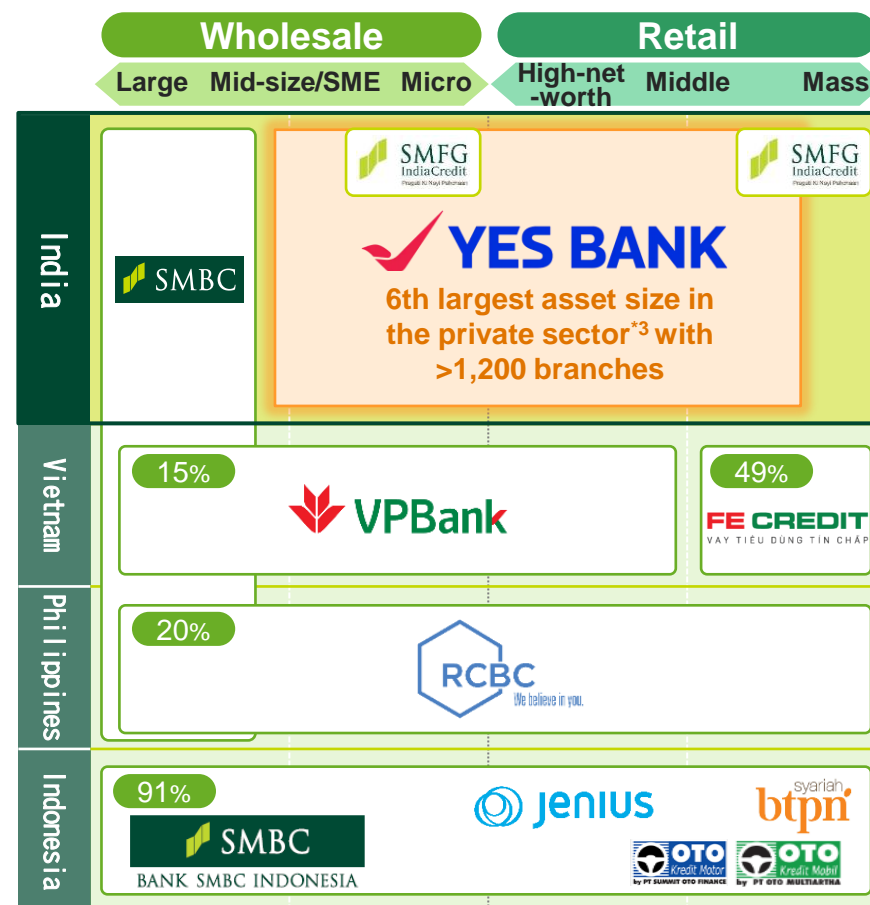
2 Rare opportunity to fill the missing piece

- Enter the commercial banking business in India, the **last missing piece** of Multi-Franchise Strategy
- Rare opportunity** for a foreign bank with this investment size

3 Disciplined price negotiation

- Careful negotiations led to an agreement at a fair price, a 20% equity stake for JPY 240 bn. (**PBR1.4x**, with goodwill of JPY 70 bn)
- Investment ROE of >10%** in the fifth year.
- Estimated impact on the CET1 ratio: (24) bps.

The big picture of a Multi-Franchise Strategy



*1 Subject to regulatory approvals. Expected to become an equity-method affiliates of SMFG and SMBC.

*2 Consulting firm estimate. *3 As of the end of Mar. 25. The exchange rate is INR/JPY=1.80

YES BANK: from a strong turnaround to a growth phase

Growth phases

Business portfolio change / digital investment

Turnaround

Restructuring led by RBI and SBI*1

Replacement of management

Reduce exposures to large corporations

Thorough compliance culture

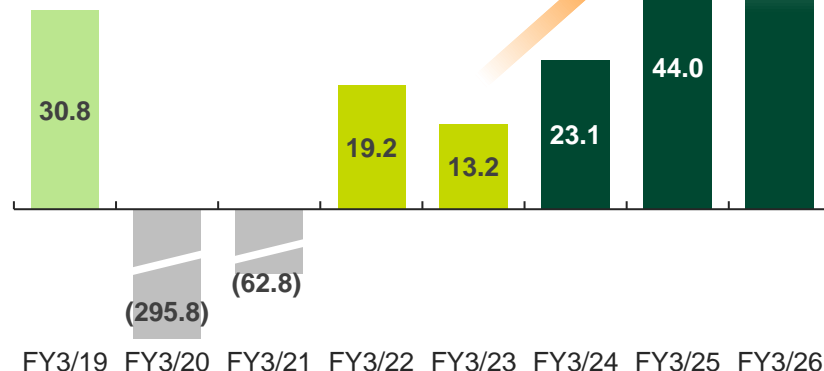
Investment in the digital

Deterioration of business

Governance failure

Net income

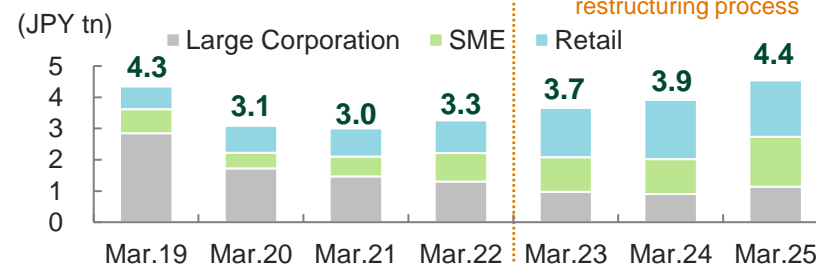
(JPY bn)



Balanced business portfolio

- Transformed to a balanced portfolio by strengthening SME and retail businesses, shifting from a focus on large corporations

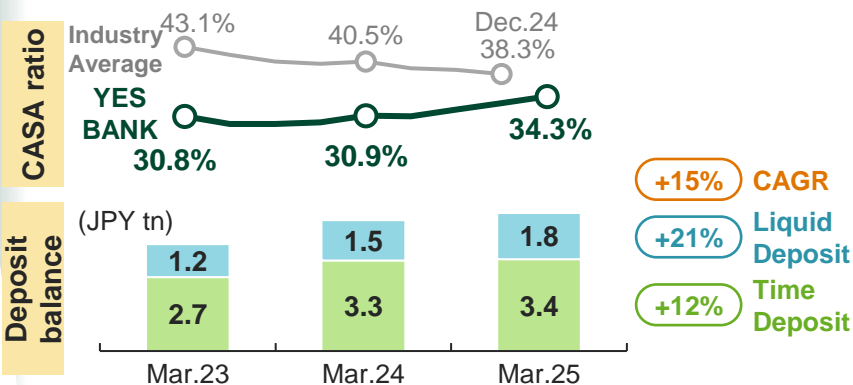
Loan Balance



NPL ratio	3.2%	16.8%	15.4%	13.9%	2.2%	1.7%	1.7%
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Strong deposit growth

- Achieved strong deposit growth incl. CASA, by hybrid strategy with physical branches and strength in digital

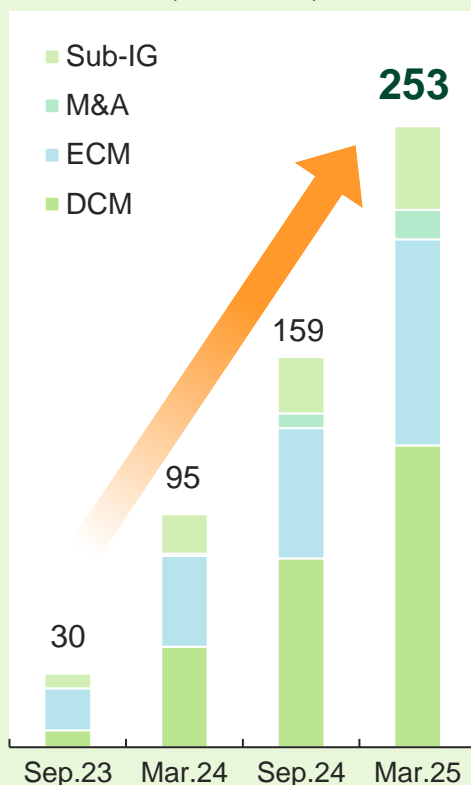


Enhance global CIB through collaboration with Jefferies

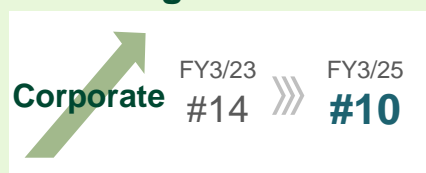
Collaborated deals are steadily increasing as our partnerships are deepening.
Accelerate collaboration globally to further strengthen the CIB business.

Steadily increasing collaborated deals

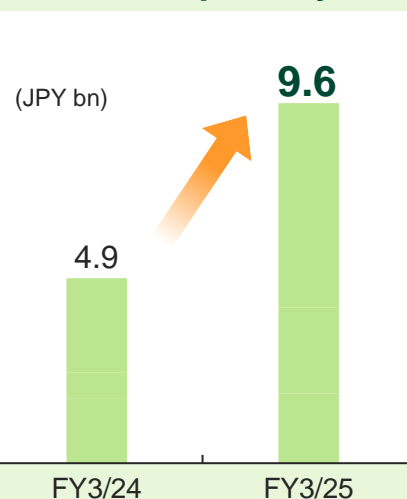
of collaborated deals
(cumulative)



U.S. IG bond
League table^{*1}



Profit from
collaborated primary deals^{*2}



Example of collaborated deal



- The largest IPO in the industry over the past five years by U.S. firm Flowco, a leading provider of product optimization of energies.
- SMBC leveraged its relationships with clients to support pre-IPO funding as a Joint Lead Arranger.
- As a result of joint marketing, Jefferies' industry expertise and strength in ECM were also recognized, leading to Jefferies being appointed as Joint Lead Bookrunner for the IPO.

Expand the scope of collaboration

of joint coverage clients with Jefferies



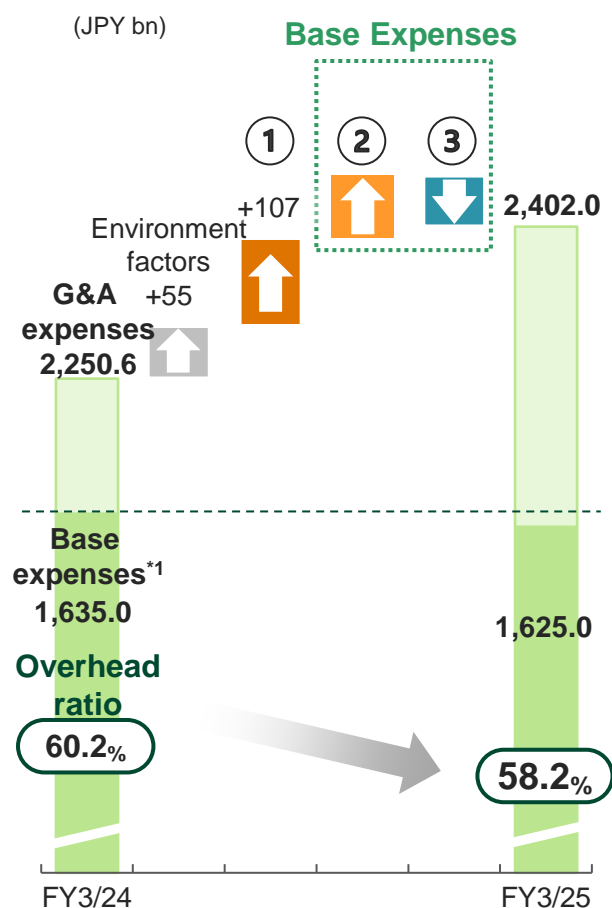
*1 Source: Bloomberg (Bonds issued in the U.S. by investment grade companies)

*2 Profit attributable to SMBC Group from collaborated deals with Jefferies

Cost control

Overhead ratio improved through base expense control and top-line growth.

Continue cost control initiatives to realize strategic investment for future growth.



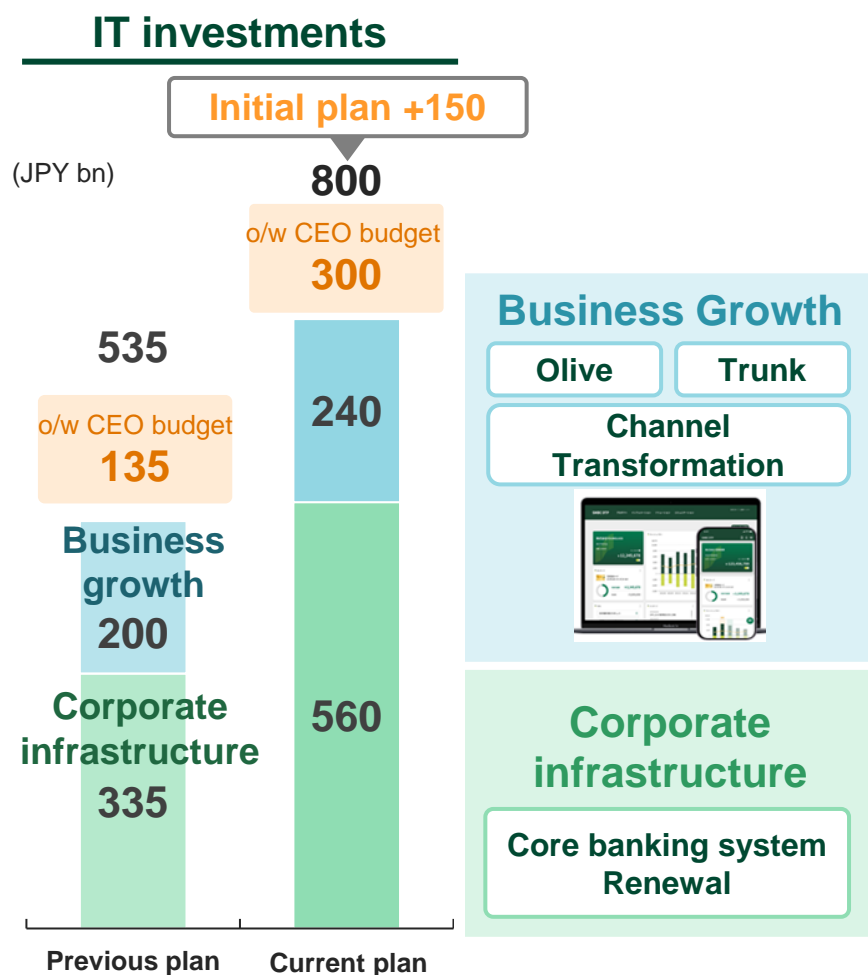
① Strategic investment for gross profit increase and future growth	SMCC commission fee +13%	# of Olive accounts 5mn	Launch of Trunk
② Base expenses ↑	by FY3/25		3 years target
	Base expenses	114 bn	+160 bn
	Workload	+5,140 people	+3,000people
	HR cost in overseas businesses	+ 75 bn	
③ Base expenses ↓	IT investment for strategic projects	+ 40 bn	
	by FY3/25		3 years target
		(95) bn	(160) bn
		(5,430) people	(7,000) people
	Reform of domestic business		
	e.g. • Branch transformation : 250 (87 by Mar. 25) • Digitalize wholesale businesses	(23) bn	(60) bn
	Group functions	(31) bn	(45) bn
	Overseas operations	(27) bn	(25) bn
	Enhance existing / additional initiatives	(14) bn	(30) bn

*1 G&A expenses excl. cost related to investment for future growth, revenue-linked variable cost, impact from market conditions, and others

IT investments for future growth

Increased IT investment budget to JPY 800 bn for the current Medium-Term Management Plan.

Aim to establish our brand as an AI-leading bank by drastically reforming core business using generative AI.



Generative AI

Budget of JPY 50 bn^{*1}

Enhance decision-making

Proposals for Clients

Decision

Analyze Information

Addressing Queries

Action

Lending Operations

Expense Processing

Operational Automation with AI Agents

AI solution business for customers

AI-CEO

Engaging global top talents

*1 Total up to the next medium-term management plan period

Human capital management maximizing strengths

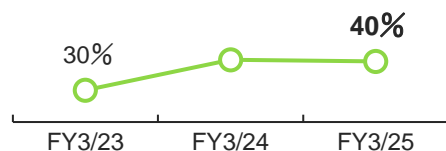
SMBC Talent Policy

Realize the workplace and teams where diverse professional talents aim high and feel rewarding

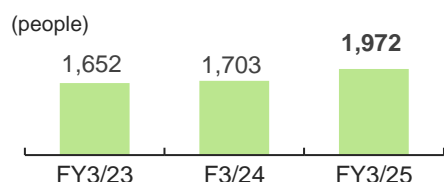
Human capital investment **+8% YoY**

Manage HR portfolio

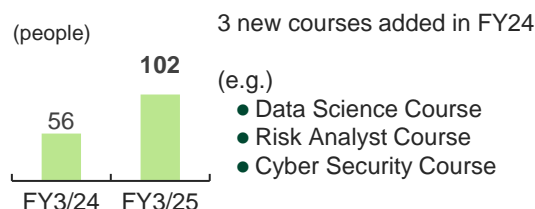
Mid-career recruitment ratio



of experts across the group^{*1}

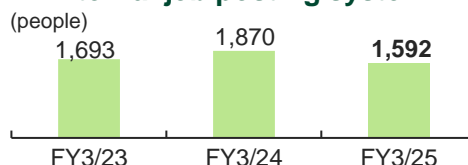


of new graduate hires by course

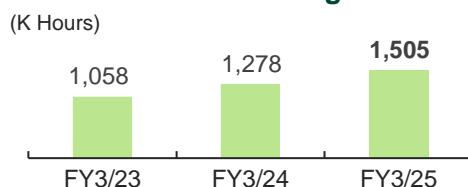


Promote employee growth and well-being

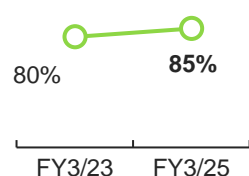
of applicants for internal job posting system



Total annual training hours



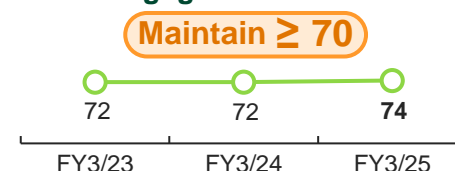
Paid leave usage rate



Maximize team performance

	FY3/25	Target ^{*4}
Female directors	27.3%	30%
Female Managers ^{*2}	22.1%	25%
Foreign directors (people)	23 ^{*3}	25

Engagement Score



Enhancing employees' sense of participation in our strategy

Increase of participation in the employee stock ownership plan **23%^{*5}**

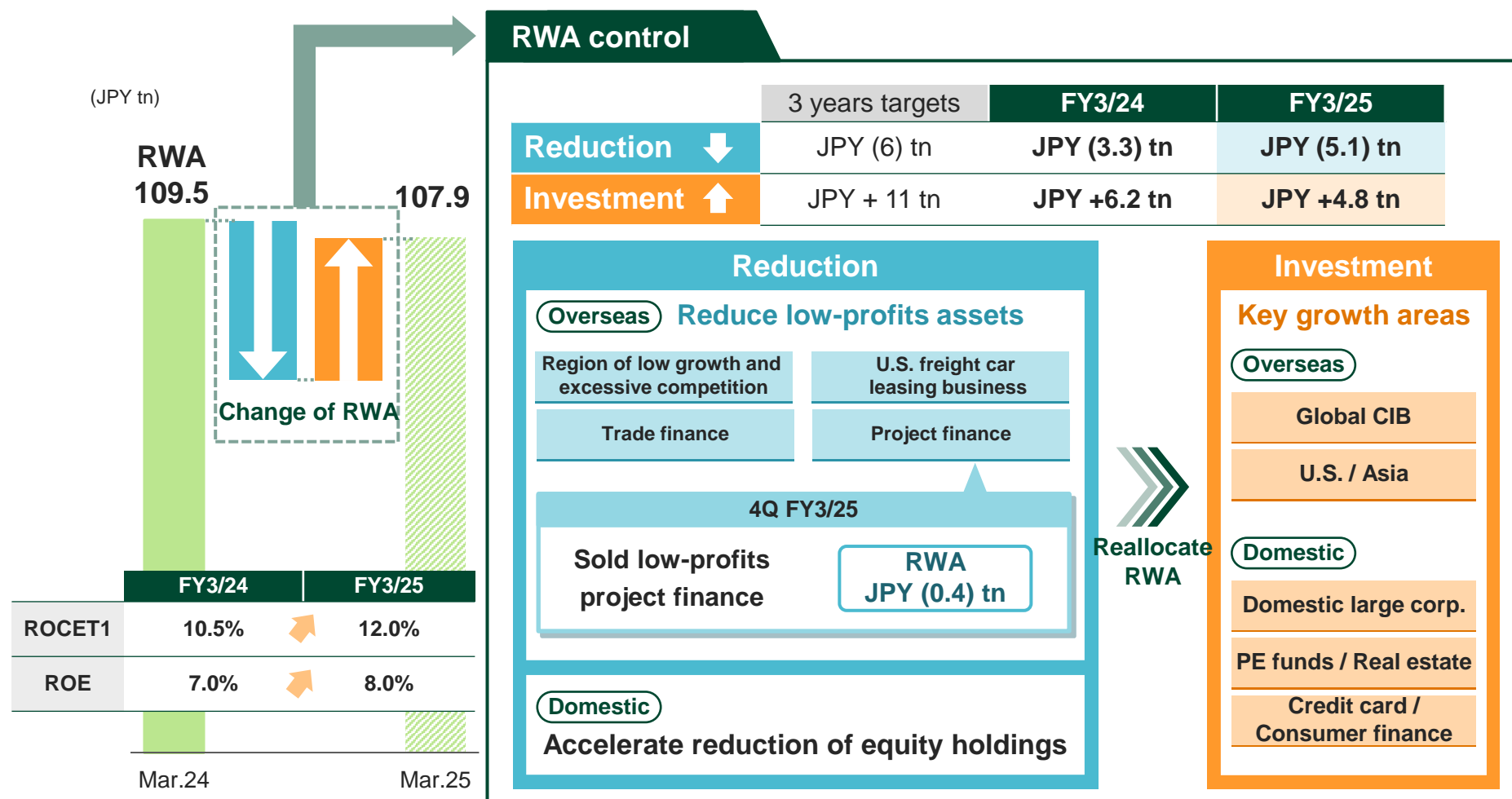
Expansion of stock compensation plan to group companies^{*6}

from **FY3/26**

^{*1} Investment banking, digital governance, etc. ^{*2} Result and target are based on the Act on the Promotion of Women's Active Engagement in Professional Life ^{*3} As of the end of Apr 25 ^{*4} FY3/26 (FY3/31 ratio of female directors) ^{*5} Percentage increase compared to last year ^{*6} SMBC Nikko Securities, Sumitomo Mitsui Card Co., Ltd., Japan Research Institute

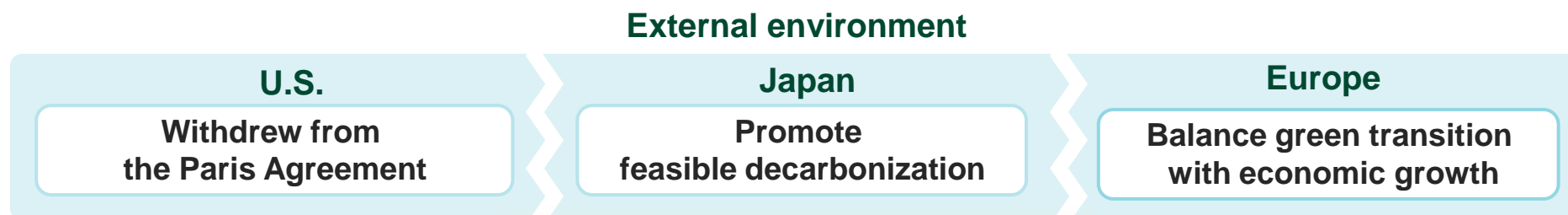
Reallocate business portfolio

Improved capital efficiency by thorough RWA control, including the sale of low-profits assets.
Continue to reduce low-profits assets and shift RWA to key growth areas to further improve ROE.

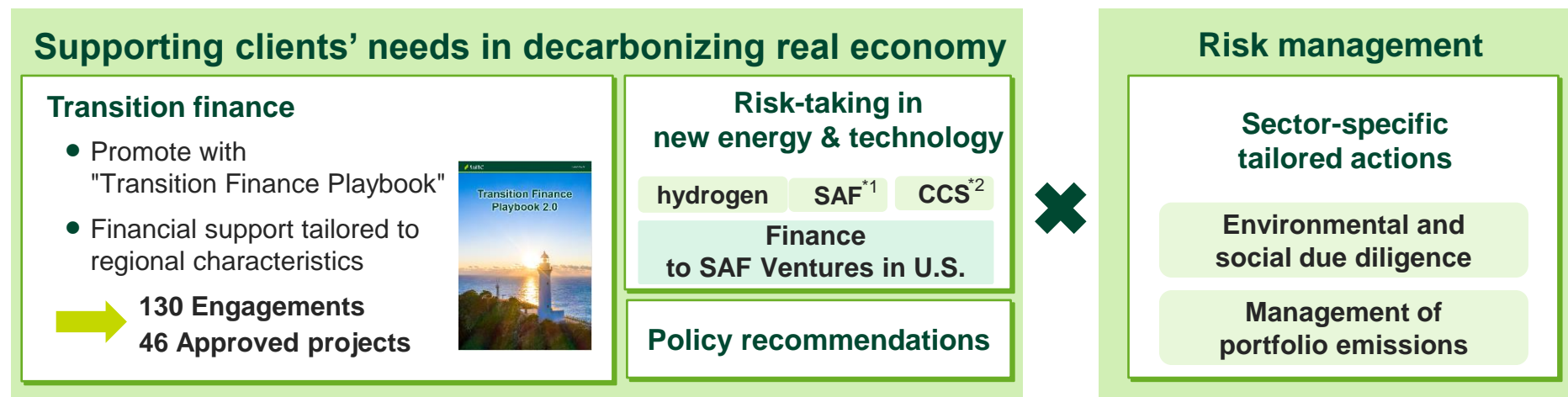
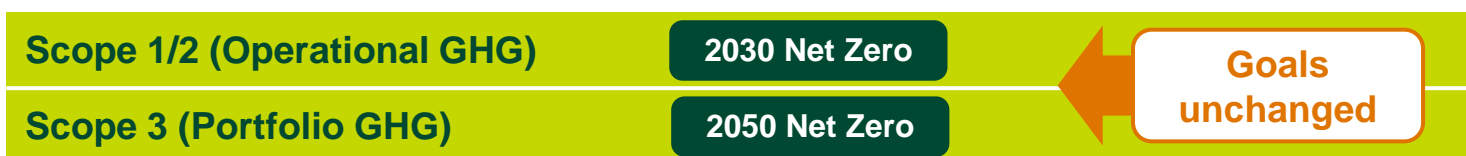


Approach toward climate change

Our goals and commitment to Net Zero remains steadfast, despite external uncertainties.
Focus on maximizing our role in real economy decarbonization, adapting flexibly to local needs.



We are continuing our efforts globally to meet our stated objectives

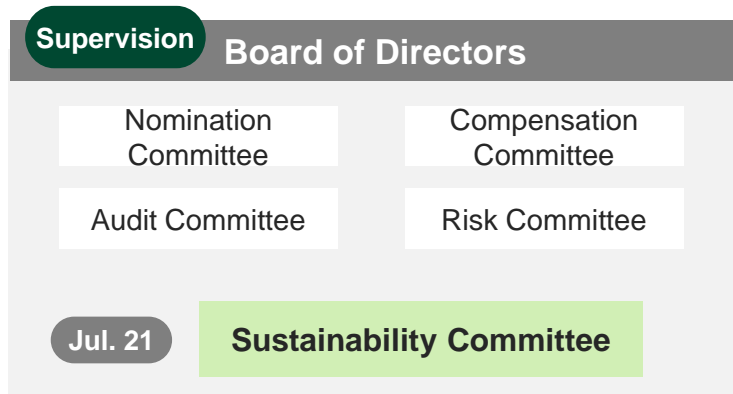


*1 Sustainable Aviation Fuel

*2 Carbon dioxide Capture and Storage

Sustainability management structure (1)

Sustainability Management System

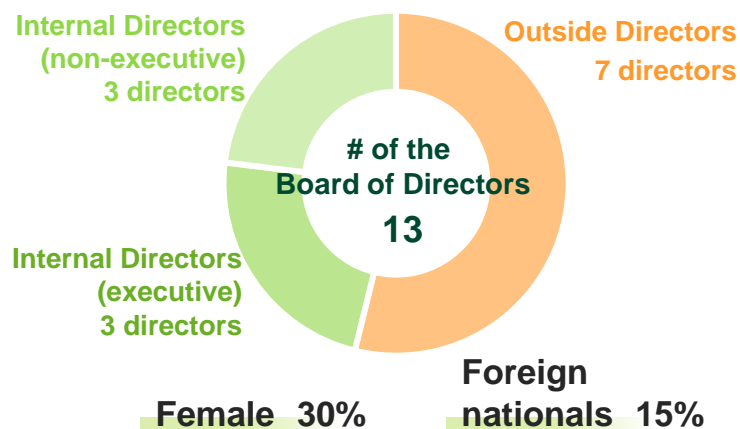


Executive Compensation

Base salary	Fixed		
Bonus ●Cash ●Stock Compensation Plan II	Linked annual performance (0-150%)		
	Performance	Consolidated net business profit SMFG net income	
	Sustainability	Achievement of KPIs Ratings of major agencies	
	Individuals' performance		
Stock Compensation Plan I	Linked medium-term performance (0-150%)		
	Financial	ROCET1	Base expense
		Consolidated gross profit SMFG net income	
	Stock	TSR (Total Shareholder Return)	
	Non-financial	Create social value	
	Adjustment	New business areas	
		Compliance/ Customer-oriented initiatives / Risk management	
	<div>Quantitative</div> <div>Environment</div> <div>Employees</div> <div>Qualitative</div> <div>Materiality initiatives</div>	<div>● Sustainable finance</div> <div>● Financed emissions</div> <div>● Engagement score</div> <div>● DE&I</div>	25% 45%
			40% 60%
Stock Compensation Plan III	Promotion reward plan		

Sustainability management structure (2)

Improve board diversity



Further enhance expertise

Directors/executives

- Study sessions for management
- Round- table discussions

Group employees

- Foster awareness of “All-hands participation”
- Training programs

Structure of the Board/ Skills Matrix*1

Internal Director (non-executive) Internal Director (executive) Outside Director	Knowledge and experience expected in particular						
	Management	Finance	Global	Legal/risk management	Accounting	IT/DX	Sustainability
Makoto Takashima							
Toru Nakashima							
Teiko Kudo							
Kazuyuki Anchi							
Toshihiro Isshiki							
Honami Matsugasaki							
Sonosuke Kadonaga							
Jun Sawada							
Yoriko Goto							
Isao Teshirogi							
Norimitsu Takashima							
Charles D. Lake II							
Jenifer Rogers							

Key aspects of SMBC group's Green Finance Framework based on Green Bond / Loan Principles



1. Use of Proceeds

- Project Categories

1. Renewable Energy 2. Energy Efficiency 3. Green Buildings



4. Clean Transportation



5. Pollution Prevention & Control



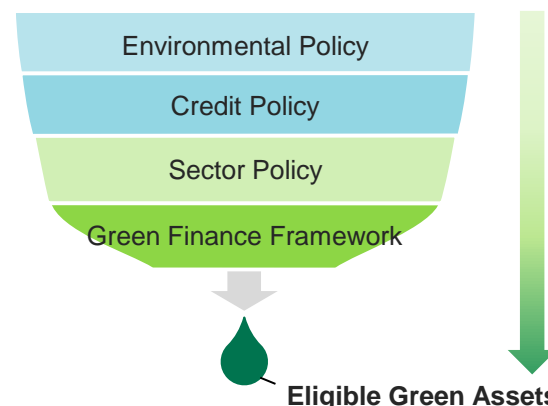
- Look Back Period : 24 months
- More than 90% of the funds are allocated to Renewable Energy



2. Evaluation and Selection

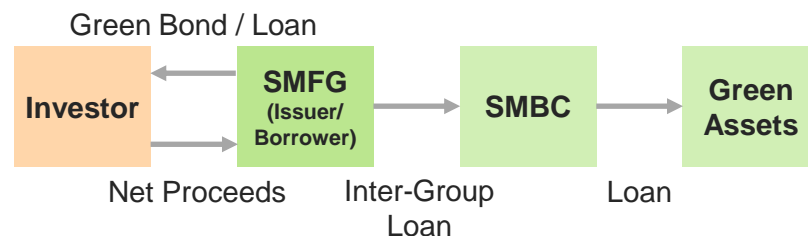
SMBC Group's
Sector policy

SMBC Group's
Green Finance
framework



3. Management of Proceeds

- Pending allocation of proceeds
: short-term financial instruments.



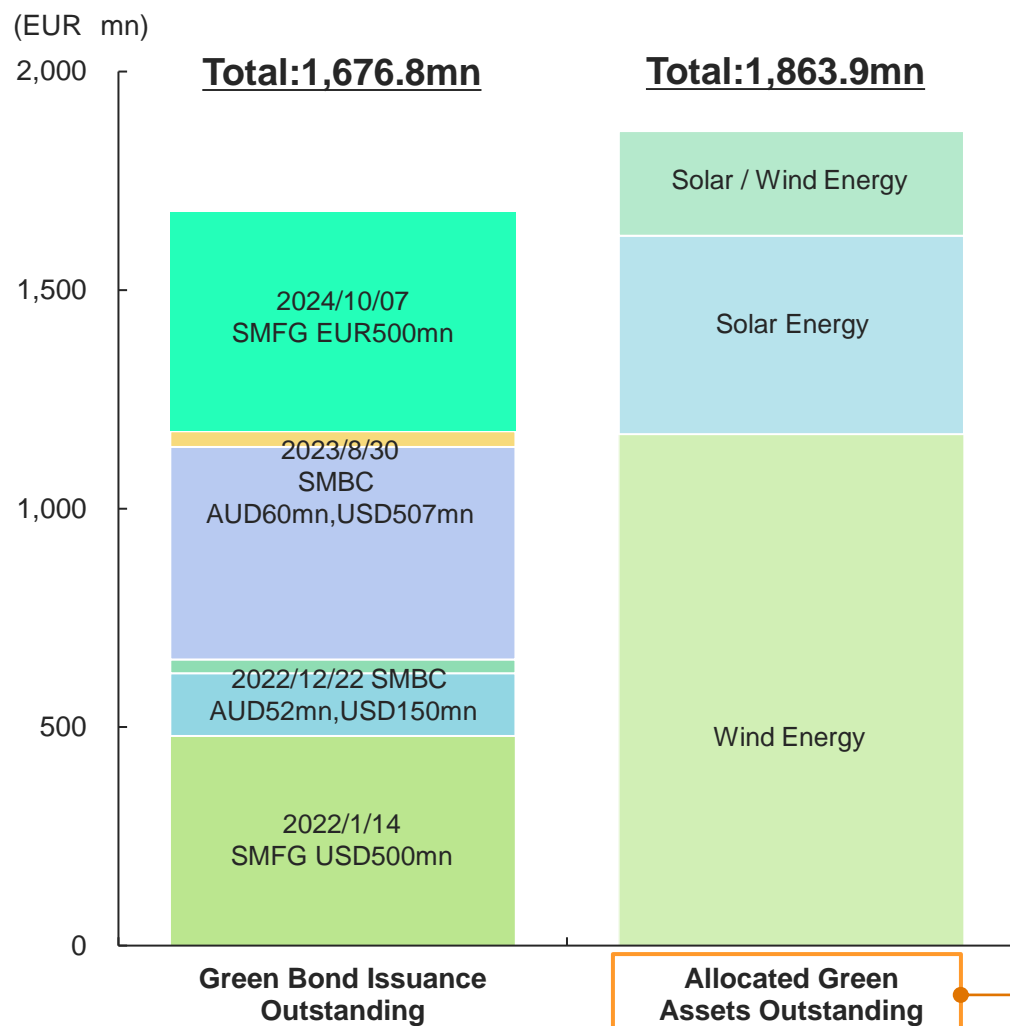
4. Reporting

- Annually updated
 - ✓ **Allocation Proceeds**
Project Category, Amount, Country, Agreement Date
 - ✓ **Impact Reporting**
CO₂ Emissions Reduction (inc. o/w SMBC Financed base)
 - ✓ **External Review**
Report from Sustainalytics
- All of information is
 - ✓ Updated within one year from issue date
 - ✓ Available on our Website

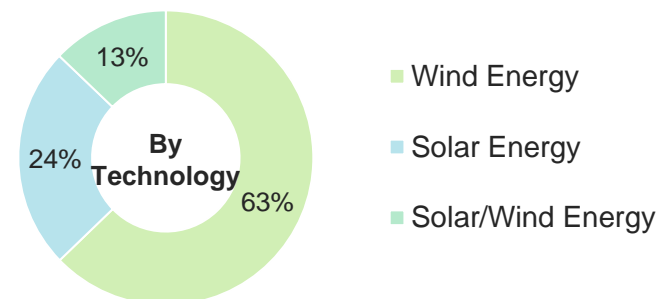
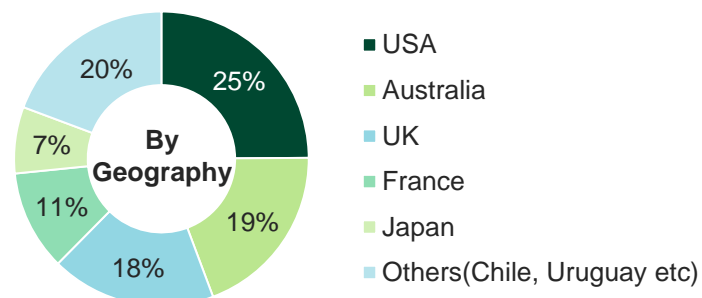


Overview of Green Bond Issuance and Allocated Green Assets

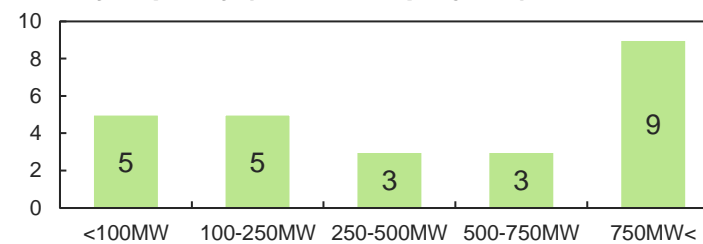
Balance of Green Bond Issuance and Allocated Green Assets*¹ (as of Dec. 24)



Overview of Allocated Green Assets



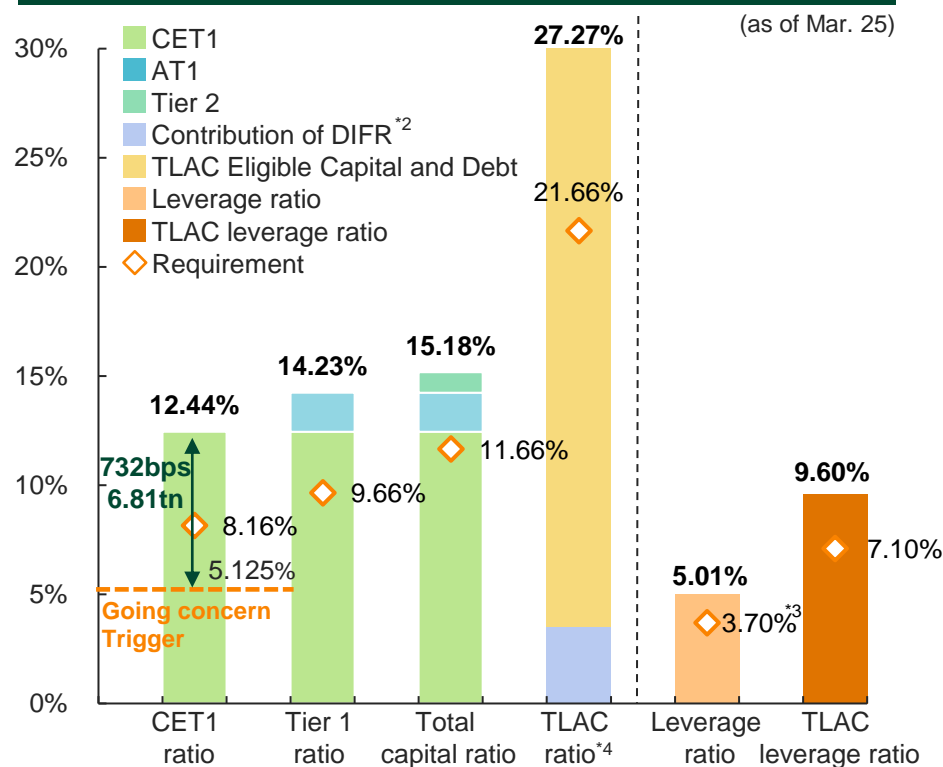
Facility capacity (number of projects)



*¹ Translated into EUR at the exchange rates as of Dec. 24

Capital ratio / leverage ratio (Transitional basis)

Capital ratio / leverage ratio (Transitional basis)*1



Buffer to requirement

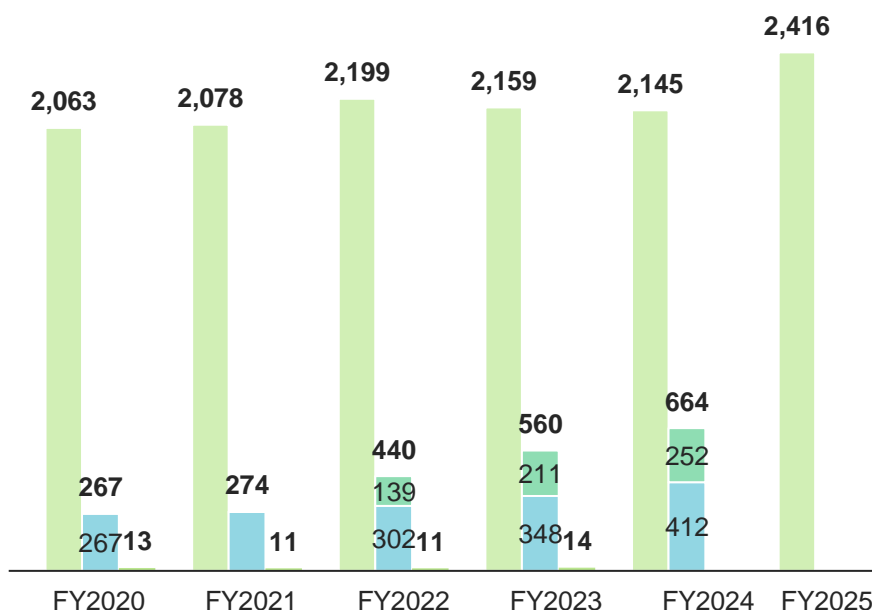
428bps 457bps 352bps 560bps 131bps 250bps

Buffer to requirement (JPY)

3.99tn 4.26tn 3.28tn 5.21tn 3.48tn 6.62tn

Track record of distributions on capital

(JPY bn) ■ Distributable amounts*5 ■ Dividends*6 ■ Buyback*6 ■ AT1 coupon*6



Profit attributable to owners of parent

- The last loss was JPY0.37tn in FY3/08 during the financial crisis.
- After the financial crisis, net income has remained positive.

*1 Basel III finalization phased-in period started from Mar. 24

*2 Contribution of Deposit Insurance Fund Reserves: Japanese Deposit Insurance Fund Reserves fulfill the requirements for ex-ante commitments to recapitalize a G-SIB in resolution set out in the FSB's TLAC termsheet (Can include 3.5% of RWAs, in external TLAC ratio)

*3 Including leverage buffer *4 Including capital buffer

*5 Refers to "Distributable amounts" within meaning of the Companies Act of Japan. Each Distributable amount is as of the end of previous fiscal year

*6 The amount of dividends, buyback and AT1 coupon are the amounts paid during the relevant fiscal year

Comparison of AT1 securities features

		SMFG/MUFG AT1 ^{*1}	U.K.	EU	Switzerland	Australia	U.S.
Going concern	Trigger	5.125%	7% ^{*2}	5.125%/7%/8%	High: 7% Low: 5.125%	5.125%	N/A
	Loss absorption mechanism	Temporary write-down (TWD)	Conversion	TWD or conversion	Write-down or conversion	Conversion	N/A
Gone concern PoNV mechanism & trigger		Contractual ^{*3} (Specified Item 2 measures)	Statutory	Statutory	Contractual	Contractual	Statutory ^{*4}
Public capital injection		<u>Does Not</u> constitute PoNV or TWD ^{*3} (Specified Item 1 measures, etc. won't trigger PoNV or TWD)	Constitutes PoNV	Constitutes PoNV	Constitutes PoNV	Constitutes PoNV	N/A ^{*4}
Dividend stopper		Yes	No	No	Yes	Yes	Yes

*1 SMFG/MUFG AT1 means USD-denominated AT1 securities issued by SMFG in Feb. 24 and Feb. 25, and USD-denominated AT1 securities issued by MUFG in Oct. 23

*2 Some institutions have defined the 7% trigger as a contractual base to include AT1 securities in their leverage ratio calculations

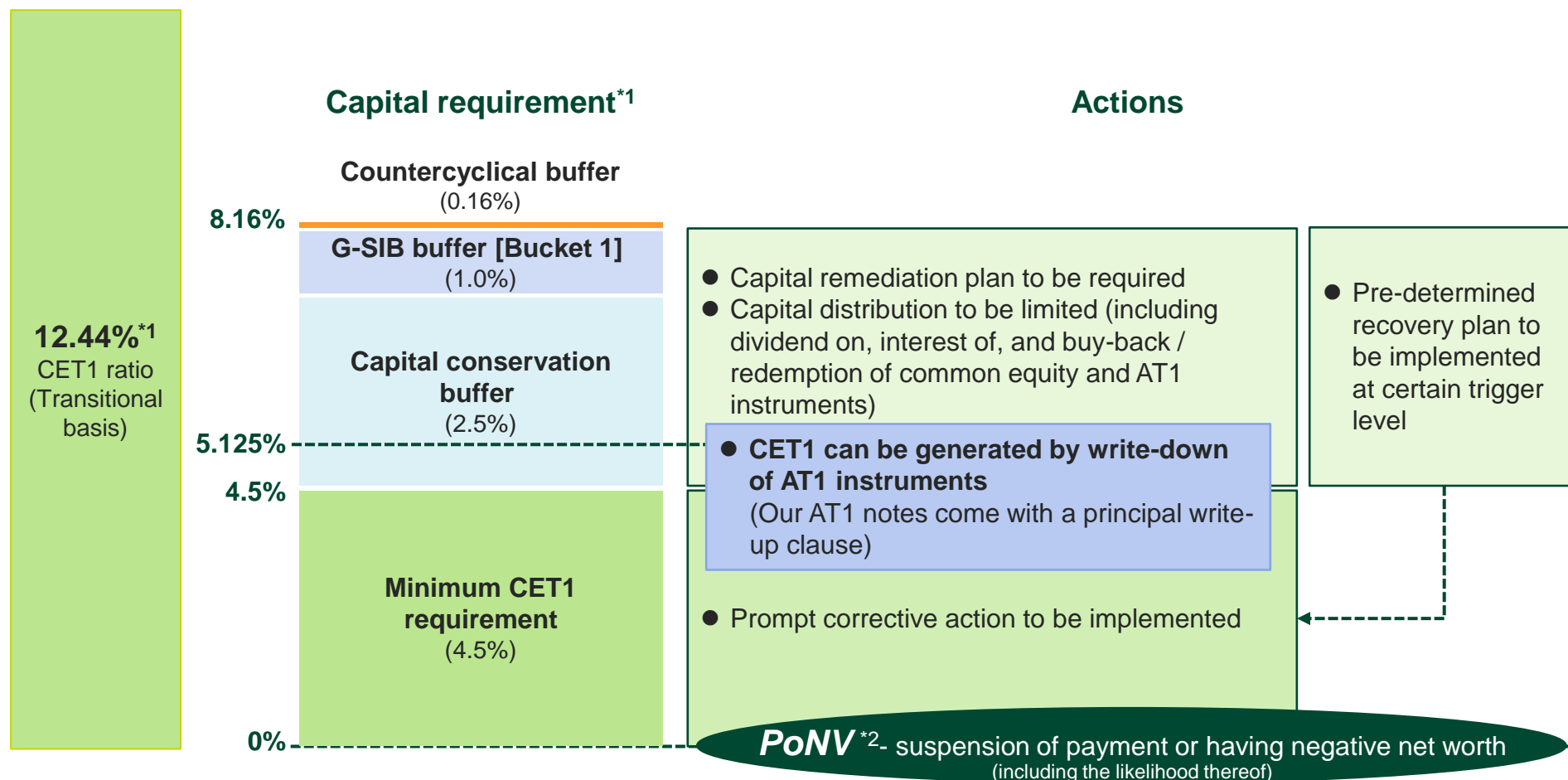
*3 PoNV will be triggered when the Prime Minister of Japan confirms ("*nintei*") that Specified Item 2 measures ("*tokutei dai nigo sochi*") need to be applied to us when our liabilities exceed or are likely to exceed our assets, or we have suspended or are likely to suspend payment of our obligations. However, (1) liquidity support and capital injection under Specified Item 1 measures, (2) capital injection under Act on Special Measures for Strengthening Financial Functions and (3) capital injection under Item 1 Measures could be applied before PoNV when the Prime Minister of Japan confirms necessity. Measures to be taken depend on each case. Specified Item 2 measures may be taken without the implementation of a capital injection prior to PoNV. Bankruptcy Event also triggers permanent full write-down

*4 Under U.S. resolution regimes, if banking organization enters receivership, insolvency, liquidation, or similar proceeding, AT1 instruments may be fully subordinated to interests held by U.S. government

Actions before incurring losses at PoNV

We will be required to meet various capital requirements before reaching a point of non-viability (“PoNV”).

CET1 ratio



*1 As of the end of Mar. 25

*2 Only an illustrative case based on the assumption that PoNV occurs when CET1 falls below 4.5%. However, the circumstances that could trigger PoNV are uncertain, and PoNV may be triggered even where CET1 is above 5.125% and without triggering a AT1 going concern write-down. PoNV will be deemed to have been reached when the Prime Minister of Japan, following deliberation by Japan's Financial Crisis Response Council pursuant to the Deposit Insurance Act (“DIA”), confirms (*nintei*) that “specified Item 2 measures (*tokutei dai nigo sochi*)”, which are the measures set forth in Article 126-2, Paragraph 1, Item 2 of the DIA, as then in effect, need to be applied to a financial institution if and when its liabilities exceed or are likely to exceed its assets, or it has suspended or is likely to suspend payment of its obligations

Safeguards to prevent systemic disruption

PoNV	Framework	Subject entities
Prior to PoNV^{*1} suspension of payment or having negative net worth (including the likelihood thereof)	<ul style="list-style-type: none"> ● Liquidity support and capital injection Specified Item 1 Measures set forth in the Deposit Insurance Act ("DIA") 	Financial institutions Including banks and bank holding companies ("BHCs")
	<ul style="list-style-type: none"> ● Capital injection Act on Special Measures for Strengthening Financial Functions 	Banks and BHCs
	<ul style="list-style-type: none"> ● Capital injection Item 1 Measures set forth in the DIA 	Banks and BHCs ^{*2}
Posterior to	<ul style="list-style-type: none"> ● Financial assistance for orderly resolution Specified Item 2 Measures set forth in the DIA This measure can be applied after the non-viability event of both AT1 and Tier 2 instruments 	Financial institutions Including banks and BHCs
	<ul style="list-style-type: none"> ● Financial assistance exceeding payout cost or Temporary nationalization 	Banks

Comparison of Measures established in 2014

Specified Item 1 Measures

Specified Item 2 Measures

Situation	<ul style="list-style-type: none"> ● Where there is a risk that severe disruption could occur in Japan's financial market and any other financial systems 	
Financial condition of target financial institution	<ul style="list-style-type: none"> ● Capital: <u>not</u> having negative net worth ● No requirement as to liquidity 	<ul style="list-style-type: none"> ● Capital: having negative net worth or ● Liquidity: suspension of payment (including the likelihood thereof)
Support tools	<ul style="list-style-type: none"> ● Liquidity support ● Capital injection 	<ul style="list-style-type: none"> ● Financial assistance
Write-down of AT1 securities	<ul style="list-style-type: none"> ● <u>Not required</u>^{*3} 	<ul style="list-style-type: none"> ● Full permanent write down at PoNV

*1 See note 2 on p.64

*2 The DIA permits capital injection into a BHC which is the parent company of the subject bank to enhance the bank's capital adequacy

*3 If the issuer's CET1 ratio is below 5.125% at the time Specified Item 1 Measures are applied, AT1 securities will be subject to partial or full write-down pursuant to the temporary write down clause

Precedents of public sector support and resolution

Precedents of public sector support and resolution in Japan

Framework ^{*1}	Precedents	Date	Amount (JPY bn)
Act on Special Measures for Strengthening Financial Functions <i>Capital injection</i>	Recent precedents of banks		
	Jimoto Holdings (Kirayaka Bank) ^{*2}	Sep. 2023	18.0
	Howa Bank	Mar. 2014	16.0
	Jimoto Holdings (Kirayaka Bank) ^{*2}	Dec. 2012	30.0
	Tohoku Bank	Sep. 2012	10.0
	77 Bank	Dec. 2011	20.0
	Tsukuba Bank	Sep. 2011	35.0
	Jimoto Holdings (Sendai Bank) ^{*2}	Sep. 2011	30.0
	Other precedents of banks before 2011	-	304.5 (12 cases)
	Precedents of credit associations (<i>Shinkumi / Shinkin</i>)	-	252.5 (19 cases)
			Total 716.0 (38 cases)
Article 102, Paragraph 1 of Deposit Insurance Act (DIA)	Item 1 measures <i>Capital injection</i>	Resona Bank	Jun. 2003 1,960.0
	Item 2 measures <i>Financial assistance exceeding payout cost</i>	N.A.	N.A.
	Item 3 measures <i>Temporary nationalization</i>	Ashikaga Bank	Nov. 2003 N.A. ^{*3}
Article 126-2 of DIA	Specified Item 1 measures <i>Liquidity support Capital injection</i>	N.A.	N.A.
	Specified Item 2 measures <i>Supervision or control and Financial assistance for orderly resolution</i>	N.A.	N.A.

PoNV^{*4}

PoNV^{*4}

*1 There is no assurance that any such measures would be applied in any given case

*2 Names of financial institutions in parentheses refer to the entities that effectively received capital injection

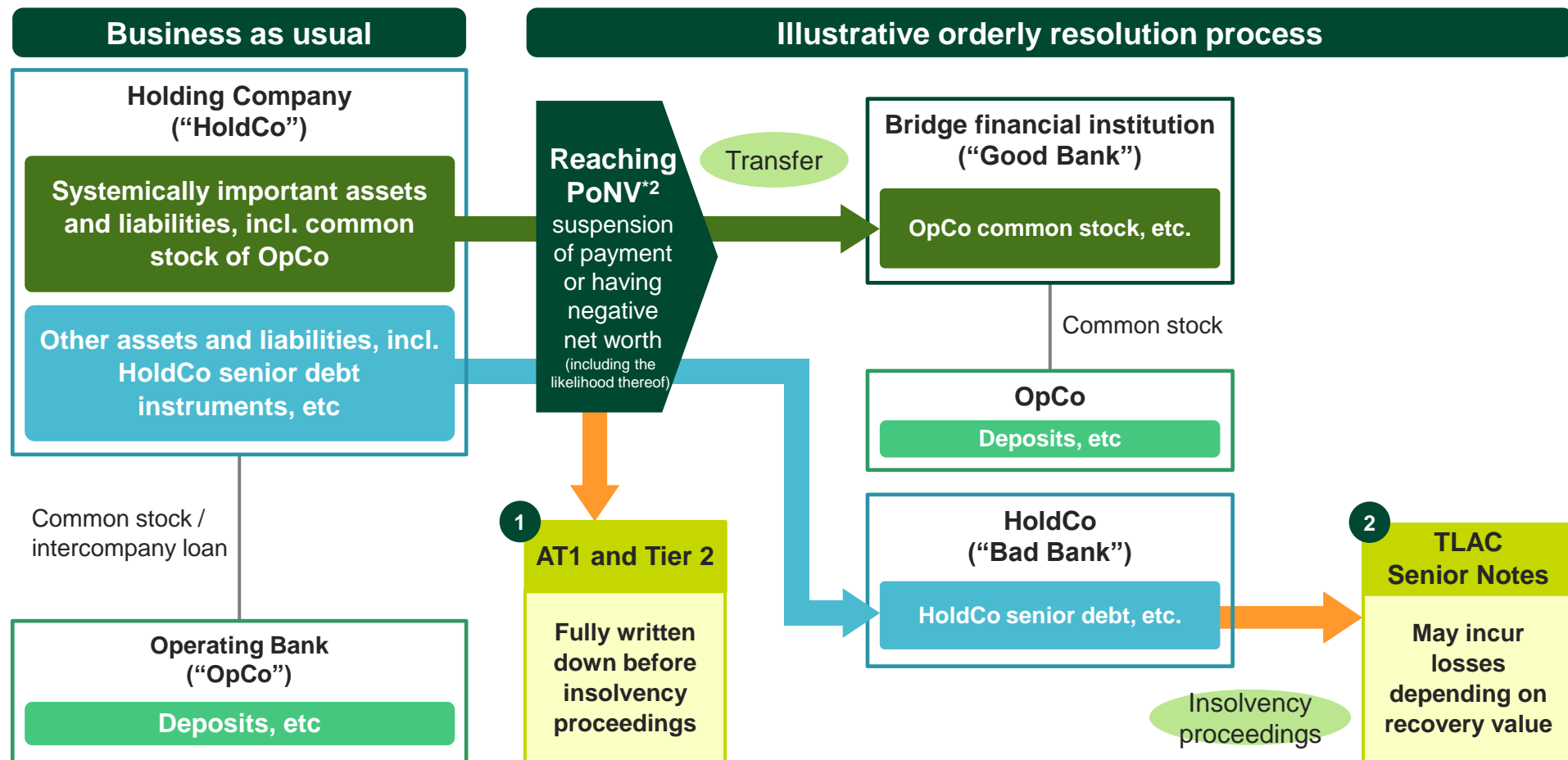
*3 The Deposit Insurance Company of Japan acquired all the shares of the bank against nil consideration

*4 See note 2 on p.64

Orderly resolution regime in Japan^{*1}

An orderly resolution is expected to be commenced subsequent to PoNV after SMFG absorbs losses incurred by its material subsidiaries.

- ① All Basel III eligible AT1 and Tier 2 instruments will be fully written down upon PoNV pursuant to their terms.
- ② Senior notes may incur losses depending on recovery value through court-administered insolvency proceedings.

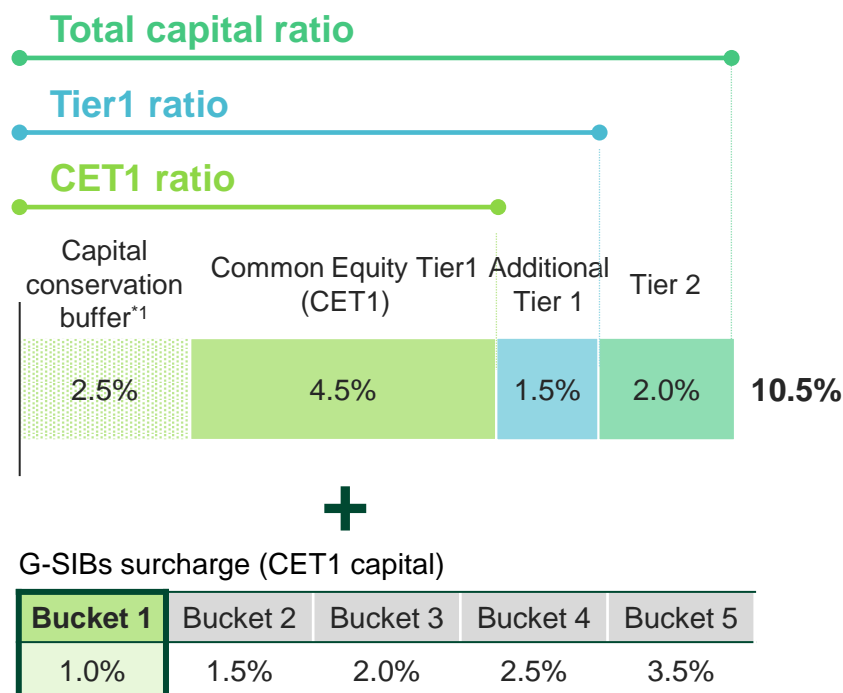


^{*1} Based on a possible model of Japanese G-SIB's resolution under the SPE resolution strategy, as stated in "The FSA's Approach to Introduce the TLAC Framework" published in Apr. 16 and revised in Apr. 18. However, it is uncertain which resolution strategy or specific measures will be taken in a given case, including whether or not the SPE resolution strategy is to be chosen and implemented in a given case. ^{*2} See note 2 on p.64

Application of Basel III (capital ratio)

		Mar. 24	Mar. 25	Mar. 26	Mar. 27	Mar. 28	Mar. 29
RWA	Revised standardized approach and internal ratings-based framework for credit	Implement					
	Revised credit valuation adjustment (CVA) framework						
	Revised operational risk framework						
	Output floor	50%	55%	60%	65%	70%	72.5%

Capital requirements

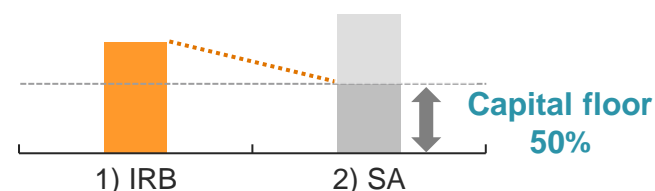


Implementation of output floor

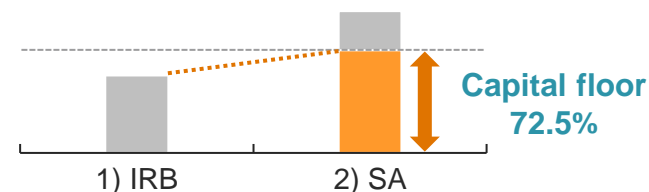
Calculate using larger figure

- 1) RWA based on internal ratings-based approach (IRB)
- 2) RWA based on standardized approach (SA) x capital floor

Mar. 24



Mar. 29



*1 Countercyclical buffer (CCyB) omitted

BOJ's monetary policy

Recent developments and outlook in monetary policy

March 2024

Terminated the negative interest rate policy
-0.1% → 0.0 ~ +0.1%

Terminated the Yield Curve Control framework

July 2024

Raised short-term interest rate additionally (to +0.25%)

Announced a plan to reduce JGB purchases
(reduction was decided in June)

January 2025

Raised short-term interest rate additionally (to +0.50%)

April 2025

The Trump administration
announced reciprocal tariffs

October 2025 ~

Additional rate hike semi-annually to be expected

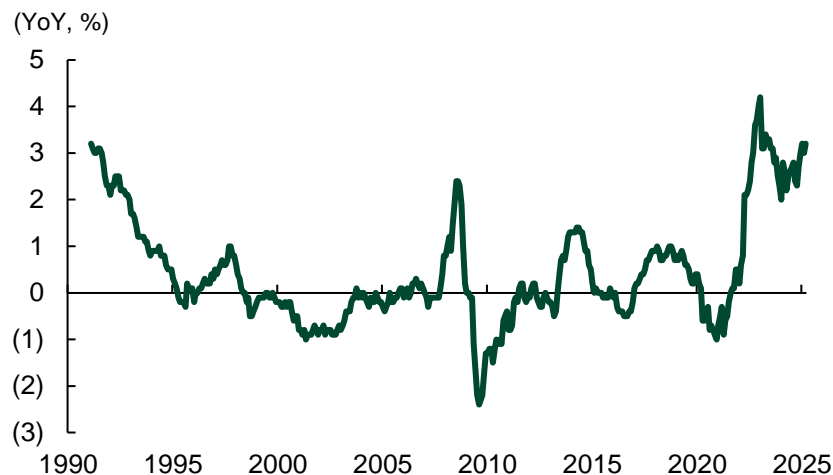
Forecasts of the Majority of the Policy Board Members

	Real GDP	CPI (all items less fresh food)	CPI (all items less fresh food and energy)
Fiscal 2025	+0.4 ~ +0.6 <+0.5>	+2.0 ~ +2.3 <+2.2>	+2.2 ~ +2.4 <+2.3>
Forecasts made in January 2025	+0.9 ~ +1.1 <+1.1>	+2.2 ~ +2.6 <+2.4>	+2.0 ~ +2.3 <+2.1>
Fiscal 2026	+0.6 ~ +0.8 <+0.7>	+1.6 ~ +1.8 <+1.7>	+1.7 ~ +2.0 <+1.8>
Forecasts made in January 2025	+0.8 ~ +1.0 <+1.0>	1.8 ~ +2.1 <+2.0>	+1.9 ~ +2.2 <+2.1>
Fiscal 2027	+0.8 ~ +1.0 <+1.0>	+1.8 ~ +2.0 <+1.9>	+1.9 ~ +2.1 <+2.0>
Forecasts made in January 2025	N/A	N/A	N/A

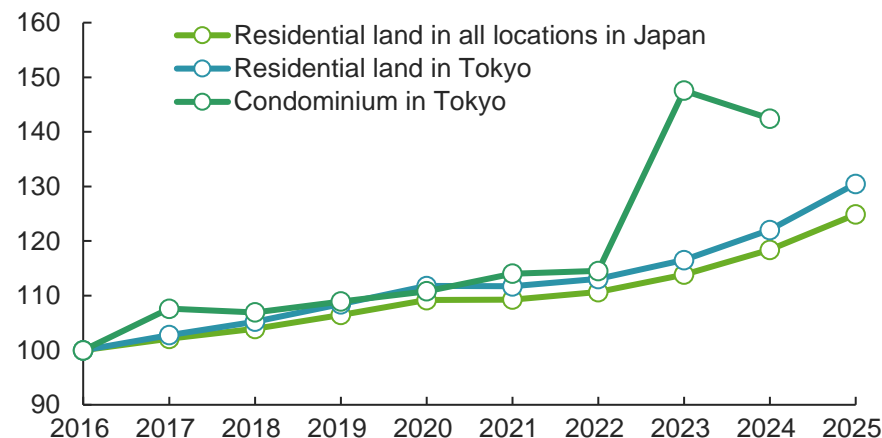
Year-over-year, %
<> indicates the median of the Policy Board members' forecasts (point estimates)

Japanese inflation dynamics and labor market

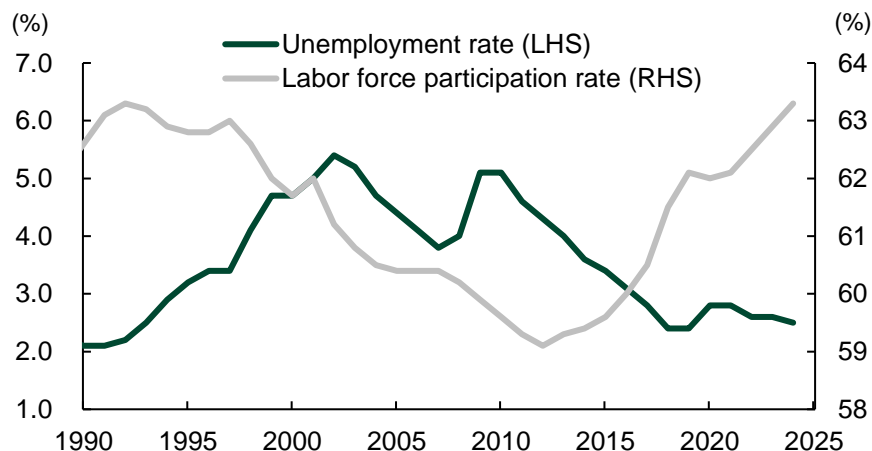
Long term trend of core CPI (YoY)



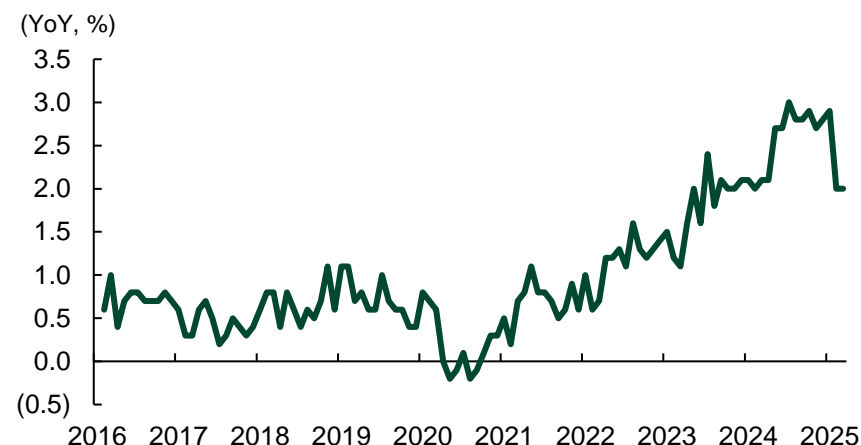
Property price of residential land and condominiums



Unemployment and Labor participation rates



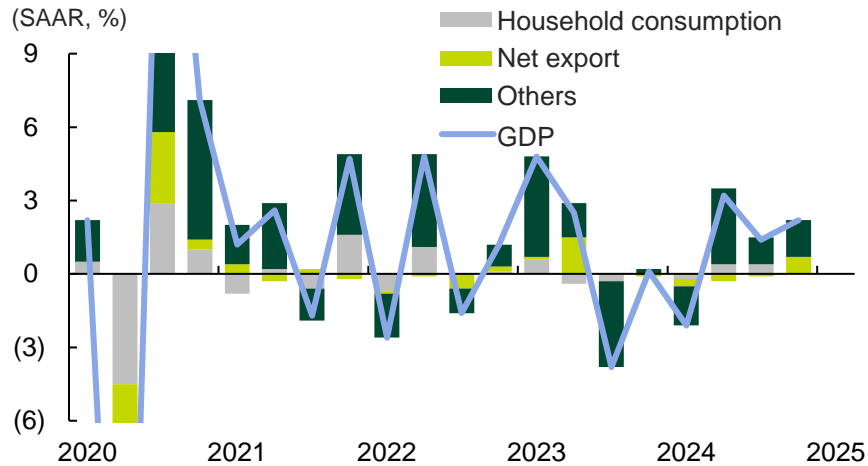
Wage growth



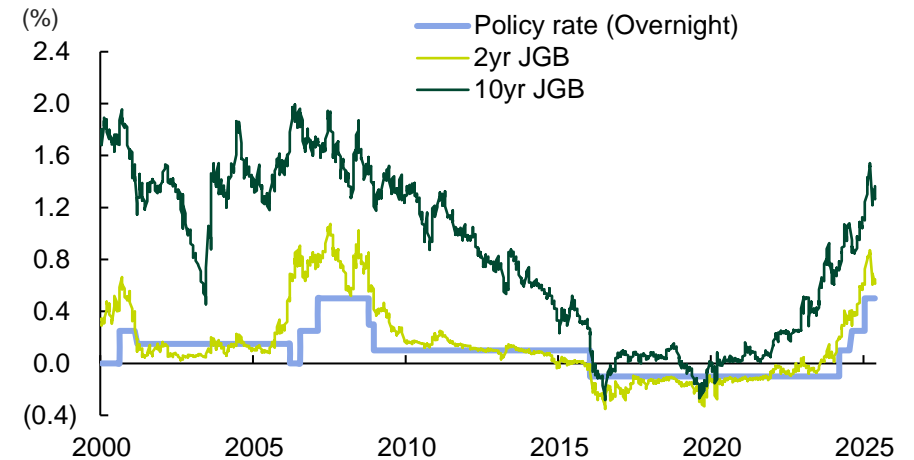
(Source) Ministry of Internal Affairs and Communications (MIC), Ministry of Health, Labour and Welfare (MHLW) Ministry of Land, Infrastructure, Transport and Tourism. Real Estate Economic Institute Co., Ltd., Condominium in Tokyo is the first half of the year

Japanese economy

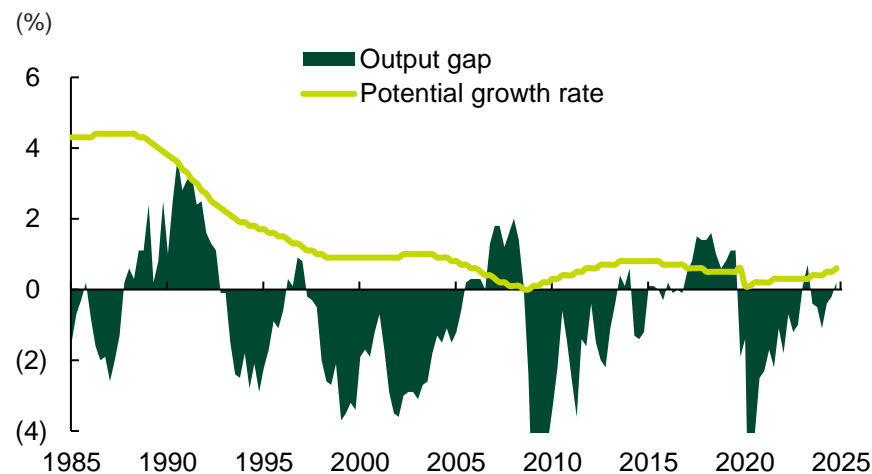
GDP growth



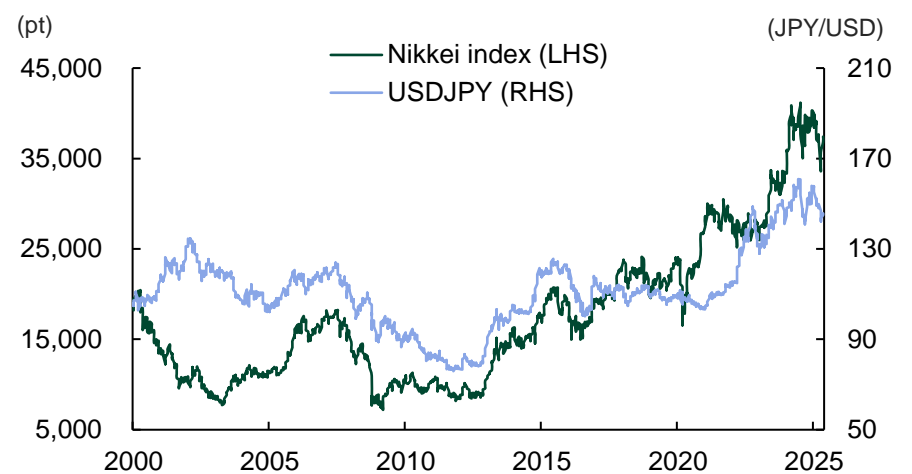
Interest rates



Output gap

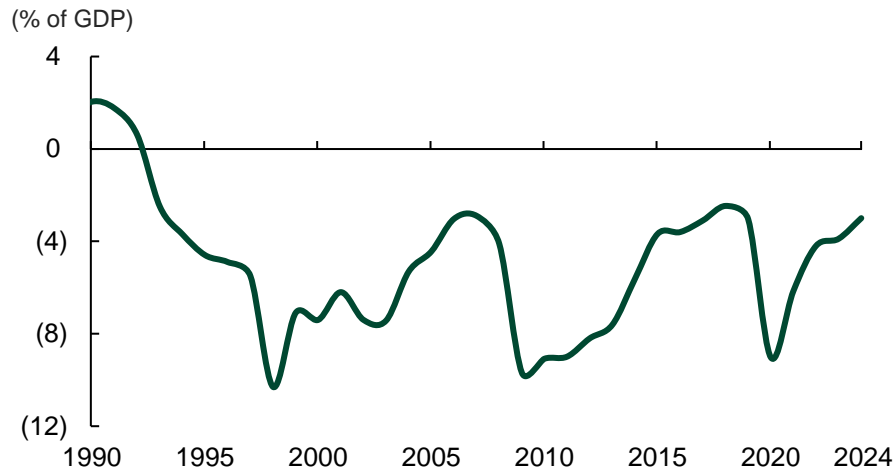


FX and Nikkei

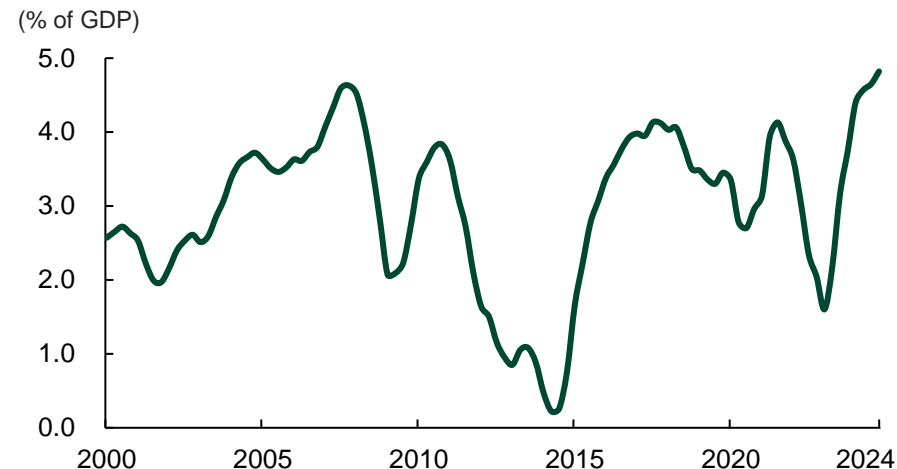


Japanese financial balance

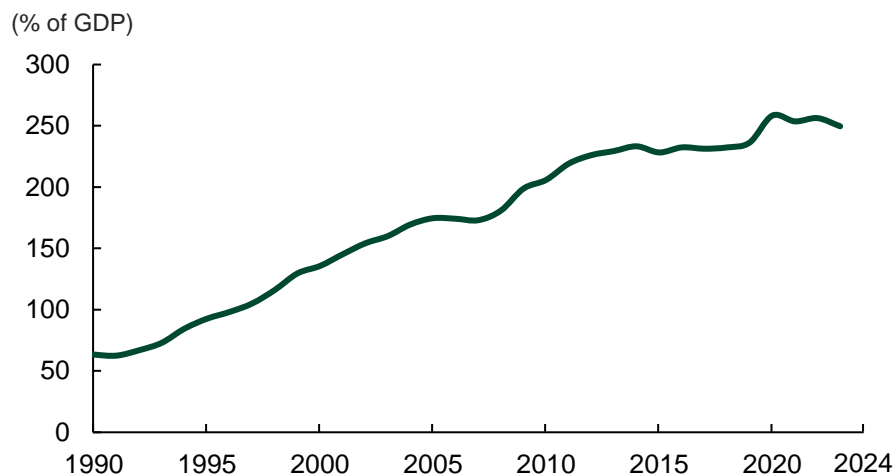
Fiscal balance



Current account balance



Fiscal debt to GDP



Net external asset

