

Corporate Banking Unit

With the formation of SMBC, the Corporate Banking Unit was created as a unified organization to serve customers. This unit's primary mission is to function as a reliable source, always ready to provide sophisticated solutions to Japan's best-known corporations. To fulfill this mission, we thought it was essential to shift immediately to a more integrated front-office organization eliminating the boundaries between the two founding banks and to use that organization to build a powerful operating base. The new unified structure fulfills both of these goals.

Major Accomplishments

- Unifying front-office operations created a base on which the synergy effect of the expertise of both founding banks can be maximized
Bolstered non-interest income, a critical management issue amidst Japan's ongoing economic slump
- Eliminated redundancies to establish a more streamlined and efficient operating base
Reduced costs
- Completed an information management infrastructure
Immediately after the merger, a new CRM system was launched for instantaneous sharing of information throughout the organization

Goals

- Strengthen ability to offer solutions for corporate restructuring by bolstering ties with Daiwa Securities SMBC Co. Ltd. and enhancing the operations of the Financial Solutions Department
- Strengthen and expand settlement-related businesses, particularly cash management services (CMS)
- Build on the relatively strong market positions of the two founding banks as an arranger in fields such as non-recourse loans, credit line commitments and syndicated loans

Most steps to create the necessary operating base were completed during the first half of the fiscal year. Looking ahead, the Corporate Banking Unit will be moving away from an asset-based profit structure by increasing income from fees and commissions and will continue to cut costs. With the groundwork in place, the unit is positioned to move still faster in molding a business model that will make SMBC more competitive.