



Strategies of Business Units

Retail Business Unit



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Retail Business Unit results

	FY2023	YoY*
Gross profit	¥1,290.0 billion	+¥120.0 billion
Expenses	¥1,079.9 billion	+¥83.2 billion
Base expenses	¥751.3 billion	+¥1.4 billion
Net business profit	¥215.7 billion	+¥37.7 billion
Net income	¥38.0 billion	(¥23.9) billion
ROCE1	3.0%	(2.0) %
Risk-weighted assets (RwA)	¥14.4 trillion	+¥0.9 trillion

* Figures are after adjustments for exchange rate impacts, etc.

Key strategies

Further expansion of the retail business with a focus on Olive

Strengthening of payment business and consumer finance on a group-wide basis

Hybrid channel strategy through Digital and face-to-face

Strengthening of competitiveness and differentiation of group-based wealth management business

***We will solve social issues through our business and pursue the achievement of both social value and economic value.
We will contribute to the realization of “rich lives” and “Fulfilled Growth” for customers as we aim to be the financial group that people trust most in times of need.***

In the Retail Business Unit, top-class companies in their industries offer services that leverage the combined strength of the Group in key fields including the wealth management business, payment business, and consumer finance.

In FY2023, AM/foreign currency balance in the asset management business increased by ¥3.7 trillion to ¥17.2 trillion through integrated consulting by bank, securities firm, and trust company. In the payment business, sales handled increased by ¥4.6 trillion to ¥34.8 trillion, and in consumer finance, the finance balance increased by ¥0.2 trillion to ¥2.6 trillion amid recovery in consumption. Each of these businesses significantly expanded its results.

In FY2024 too, we will steadily enact measures in our major businesses to achieve our current Medium-Term Management Plan.

As we expect increased profitability from deposits due to higher interest rates, we will work to further expand our customer base and deposit balance through Olive, which has had a major social impact and for which we expect use to grow.

Our tackling of the Retail Business

equates to creating social value and solving social issues associated with changes in Japan, such as the promotion of asset formation to boost asset management, the advance of a cashless society, and the arrival of the era of 100-year lifespans among the aging population. In the asset management business, we will back up healthy asset formation by individuals through the promotion of New Nippon Individual Savings Accounts (NISA) and finance/economics education seminars, while supporting the sustainable growth of Japan by supplying money to markets.

In the payment business, we will solve payment issues faced by businesses and consumers through “stera” and the new “V POINT” and, looking ahead to fully cashless payments at EXPO 2025 in Osaka, Kansai, will further raise the cashless ratio in Japan.

In the life shift business, we will eliminate the increasingly diverse concerns of elderly customers through our SMBC Elder Program and will solve social issues in the era of 100-year lifespans.

Through such efforts, we will contribute to “rich lives” for our customers and the realization of “Fulfilled Growth.”

Retail Business Unit

Further expansion of the Group's business centered on Olive

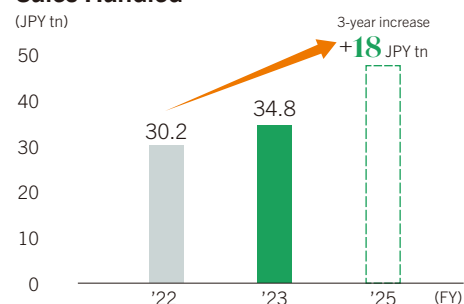
Olive accounts surpassed 2.3 million in the year since the service's release, contributing to the expansion of our group-wide customer base. In April 2024, we integrated the T POINT and V POINT programs to begin providing one of Japan's largest new shared point services fusing points and payment. As acquiring deposits will increase in importance under shifts in monetary policy, we will continue working to provide convenient services and further expand our customer base and deposit balance.

In our lineup of services for business customers in the payment business, we supplemented our all-in-one "stera terminal" with another two types of terminals selectable according to business type. Adapting to varied usage scenarios and advancing support for business DX and streamlining, we will expand our acquiring business.

In the consumer finance business, we seek to expand our finance balance through the enhancement of brand recall, landing page improvements, and other upgrades to our web marketing.



Sales Handled



Strengthening of competitiveness and differentiation of group-based wealth management business

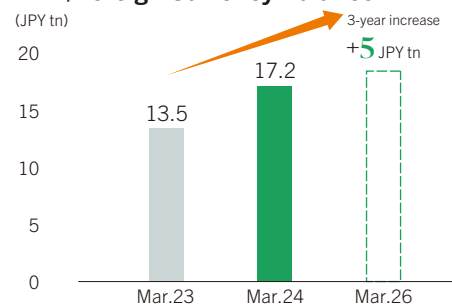
Drawing on the combined strength of the Group through collaboration among bank, securities firm, and trust company, we provide total consulting matched to diverse needs such as advanced portfolio proposals, inheritance, succession, and business loans. We will powerfully support the shift from savings to investment and asset formation, with the aim of boosting asset management in Japan.

In fund wraps, we worked toward differentiation from other companies through attentive after-sales follow-up and achieved an industry-leading balance. In the area of new NISA, we are promoting proliferation of the accounts group-wide and are expanding our asset management base.

In the foreign currency business, we established the PRESTIA Business Division and the PRESTIA Sales Department within Sumitomo Mitsui Banking Corporation, strengthened promotion of Group operations, started flexible management of foreign currency interest rates, and otherwise developed the business structure. The foreign currency denominated assets of the Group as a whole have increased significantly. We lead Japan's foreign currency business as the country's number one foreign currency Group.

In the inheritance business, we will promote asset consolidation and the capture of transactions with the next generation by strengthening SMBC Nikko Securities' capabilities in the business and by providing life shift solutions.

AM*/Foreign Currency Balance



* Mutual funds, fund wraps, etc.
(We changed definitions in FY2023 and retroactively adjusted FY2022 results.)

Hybrid channel strategy through Digital and face-to-face

We aim to serve as a bank that is safe, secure, and convenient in daily life and dependable in times of need by developing a hybrid channel strategy that offers Olive digital transactions to customers in daily life, while supporting inheritance consultation and digital operation guidance at physical bank branches.

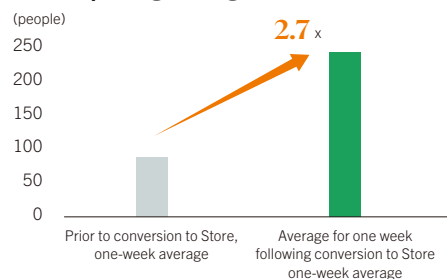
We have set up new “STORE” branches, a model based on digital and face-to-face interaction, in commercial facilities with expanded business hours and more convenient access than ever. Visitors have increased significantly, including customers in their 20s, 30s, and 40s for whom visits to branches had normally been difficult. STORE branches further achieve lower cost operation than existing branches, owing to their space-saving and efficient structure.

By expanding Olive and rolling out STORE branches, we aim to pursue economic value by expanding our customer base through enhanced convenience and to create social value by meeting the need for face-to-face consulting.



See page 098 for more information on Olive.

Number of Store Visitors* (from opening through March 2024)



* Average of 30 branches opened through March 2024 (Number of persons visiting for consultation, investment management, and notifications; excluding visits for deposits, withdrawals, transfers, etc.)



Initiatives aimed at the era of 100-year lifespans

Through high value-added services that go beyond the frameworks of conventional financial institutions, we will address the diversifying anxieties of customers in the era of 100-year lifespans.

We will support enriched lives for customers and their families through our SMBC Elder Program, by which full-time concierges support customers through their long lives; SMBC Digital Safety Box, which stores customers' vital digital information; and Family Network Service, which supports peace of mind and communication for family members separated by distance.

By engaging in group-wide financial and economic education, such as providing schools with game educational materials that offer money-related experiences to children, we will contribute to the realization of a society in which all can gain accurate financial knowledge and enjoy worry-free living.

SMBC Elder Program

A dedicated concierge service that brings peace of mind and comfort to customers' lives



SMBC Digital Safety Box

A new form of peace of mind that keeps and connects customers' important information.
Digital version ending note



Family Network Service

An app that lets users check on the money, health, and daily life of family members living apart

