Financial Review

Principal Financial Data

Consolidated Performance Summary

(JPY bn)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Consolidated gross profit	2,945.5	3,170.2	3,738.8	4,126.7	4,844.7
Net interest income	1,528.0	1,717.8	1,880.7	2,338.2	2,719.6
Net fees and commissions + Trust fees	1,205.5	1,225.7	1,490.2	1,568.9	1,832.3
Net trading income + Net other operating income	212.0	226.7	367.9	219.6	292.8
General and administrative expenses	1,821.1	1,949.2	2,250.6	2,402.0	2,651.5
Overhead ratio	61.8%	61.5%	60.2%	58.2%	54.7%
Equity in gains (losses) of affiliates	28.5	55.5	72.0	(5.5)	137.7
Consolidated net business profit	1,152.9	1,276.4	1,560.2	1,719.3	2,330.9
Total credit cost (gains)	274.4	210.2	274.0	344.5	388.4
Gains (losses) on stock	209.1	155.9	249.8	509.8	446.1
Other income (expenses)	(46.9)	(61.2)	(69.9)	(165.1)	(85.2)
Ordinary profit	1,040.6	1,160.9	1,466.1	1,719.5	2,303.4
Extraordinary gains (losses)	(111.0)	(62.5)	(123.8)	(19.5)	(51.6)
Income taxes	214.5	282.1	373.7	513.1	666.9
Profit attributable to non-controlling interests	8.4	10.5	5.7	8.9	1.8
Profit attributable to owners of parent	706.6	805.8	962.9	1,178.0	1,583.0

Consolidated Balance Sheet Summary

(JPY bn)

Total assets	257,704.6	270,428.6	295,236.7	306,282.0	328,511.1
Loans and bills discounted	90,834.1	98,404.1	107,013.9	111,136.2	117,629.2
Securities	38,538.7	33,213.2	37,142.8	40,761.0	39,974.1
Total liabilities	245,507.3	257,637.5	280,436.7	291,440.5	312,578.0
Deposits	148,585.5	158,770.3	164,839.4	171,498.7	185,674.2
Negotiable certificates of deposit	13,069.8	13,025.6	14,672.3	17,175.4	15,667.1
Total net assets	12,197.3	12,791.1	14,800.0	14,841.5	15,933.1
Shareholders' equity	9,938.6	10,308.4	10,630.0	11,209.0	11,752.0
Retained earnings	6,916.5	7,423.6	7,843.5	8,290.2	8,871.1
Accumulated other comprehensive income	2,159.6	2,372.1	4,030.1	3,494.4	4,033.4
Non-controlling interests	97.6	109.5	138.9	137.3	147.1

Financial Indicators

Total capital ratio (BIS guidelines)	16.56%	15.98%	15.29%	15.18%	15.69%
Tier 1 capital ratio (BIS guidelines)	15.46%	14.94%	14.33%	14.23%	14.49%
Common equity Tier 1 capital ratio (BIS guidelines)	14.45%	14.02%	12.91%	12.44%	12.41%
Dividend per share (Yen)*	70	80	90	122	157
Dividend payout ratio	40.7%	40.4%	37.1%	40.3%	38.0%
ROE (on a stockholders' equity basis)	7.3%	8.0%	9.2%	10.8%	13.8%
ROE (based on the Tokyo Stock Exchange standard)	5.9%	6.5%	7.0%	8.0%	10.4%

Market Data (As of the end of the fiscal year)

Nikkei Stock Average (Yen)	27,821	28,041	40,369	35,618	51,064

* Implemented a 3-for-1 stock split for common stocks on October 1, 2024. The amounts were adjusted, assuming the stock split had been implemented in prior fiscal years.

Consolidated Income Analysis Summary

Consolidated gross profit increased by ¥717.9 billion year-on-year to ¥4,844.7 billion due to an increase in net interest income in Japan, driven by an increase in loan balances and the tailwind of rising interest rates, as well as an increase in fee income resulting from capturing active corporate actions and strong performance in asset management, payment business and consumer finance businesses.

General and administrative expenses increased by ¥249.6 billion year-on-year to ¥2,651.5 billion due to factors such as the impact of inflation, depreciation of yen, and an increase in revenue linked expenses. On the other hand, the overhead ratio significantly improved, declining by 3.5% year-on-year, due to appropriate cost controls including cost reduction measures and top-line growth.

Equity in gains (losses) of affiliates rose by ¥143.2 billion year-on-year to ¥137.7 billion. This was primarily due to the absence of the goodwill impairment loss recorded in FY2024 for VPBank and FE Credit.

Credit cost increased by ¥43.9 billion year-on-year to ¥388.4 billion due to the recording of forward-looking provisions for the deteriorating Middle East situation, and the disposal of non-performing loans at OTO/SOF.

Gains (losses) on stock decreased by ¥63.8 billion year-on-year to ¥446.1 billion due to the absence of gains on sales of equity holdings in major unrealized gain stocks from the previous year and losses from the sale of Bank of East Asia shares, while the gain on the sale of Kotak shares had a positive effect.

In addition, while losses were recorded due to the reorganization of U.S. banking subsidiaries and allowance for dormant deposits, profit attributable to owners of parent increased by ¥405.0 billion year-on-year to ¥1,583.0 billion.

Thus, as a result of continued strong core business performance, particularly in Japan, under a favorable business environment, we took measures to enhance future profitability and still achieved new record highs for the third consecutive year for consolidated gross profit, consolidated net business profit, and profit attributable to owners of parent.

(JPY bn)

	Fiscal 2025	Increase (Decrease)
Consolidated gross profit	4,844.7	+717.9
General and administrative expenses	2,651.5	+249.6
Equity in gains (losses) of affiliates	137.7	+143.2
Consolidated net business profit	2,330.9	+611.6
Total credit cost (gains)	388.4	+43.9
Gains (losses) on stock	446.1	(63.8)
Ordinary profit	2,303.4	+583.9
Profit attributable to owners of parent	1,583.0	+405.0

Performance of Major Group Companies

(Left: FY2025 performance; Right: Year-on-year comparison)

(JPY bn)

	SMBC		SMBC Trust	
Gross profit	2,677.9	+421.3	80.7	+8.5
Expenses	1,186.0	+113.9	45.7	+3.1
Net business profit	1,491.9	+307.5	35.1	+5.5
Net income	1,411.7	+343.1	26.4	+4.1

	SMBC Nikko*1		SMCC*2	
Gross profit	586.4	+51.0	884.4	+66.0
Expenses	470.7	+23.8	627.0	+58.1
Net business profit	115.7	+27.2	262.9	+80.1
Net income	128.3	+55.0	105.7	+170.0

	SMDA 50%		SMFL*3 50%	
Gross profit	51.6	+7.8	411.2	+105.3
Expenses	35.4	+1.9	179.2	+38.9
Net business profit	16.3	+6.0	240.9	+63.2
Net income	5.8	+2.1	120.1	(13.8)

Ratio of Ownership by SMFG

*1 Internal management basis, including profits of SMBC Nikko America and SMBC Capital Markets
*2 Includes figures for SMBC Consumer Finance
*3 Figures are on a managerial accounting basis