

## ■ Consumer Banking

SMFG group companies work cooperatively to provide better and highly appreciated services for individual clients.

In April 2014, SMBC reviewed and improved its marketing system to appropriately accommodate individual clients' diversifying financial needs, reflecting the accelerated trend of "Saving to Investment," at the times of major inheritance and changes in clients' lifestyles. Under the new system, SMBC strives to enhance its products and services to accommodate the diverse needs of individual clients by giving even further attention to details.

### Asset Management

SMBC has a wide range of investment trust products to meet the diversifying asset management needs of its clients.

In fiscal 2013, we enhanced our portfolio for publicly offered investment trust in Japan by implementing investment funds, including bonds denominated in U.S. dollars, high-yielding stocks and REIT; investment funds for domestic corporate stocks which benefited from the "Abenomics" growth strategy; and balanced funds assuming investment needs due to NISA.

As for deposits in foreign currencies, we added to the portfolio with standard medium- to long-term fixed-term deposits denominated in foreign currency (commonly called "Nice Flight") (in U.S. or Australian dollars) in 2013, in order to be able to accommodate clients' needs for the management of assets in foreign currencies in the medium- to long-term.

We accommodate clients' needs by implementing measures to offer preferential interest rates. Working with SMBC Nikko Securities, SMBC continues to offer its wide-ranging clients intermediary services for financial products in areas such as foreign-currency and yen-denominated bonds.

In fiscal 2013, we began offering, for the first time for yen-denominated bonds, the "Green Bond" which supports the realization of an environmentally conscious society. In order for more clients to be able to capitalize our product of "SMBC Fund Wrap" (the discretionary management through investment trust taking into account clients' particular needs) for their asset management, we decided to lower the minimum requirement for initial contract amount from ¥10 million to ¥3 million for that product.

SMBC and SMBC Nikko Securities strive to provide products and services able to accommodate individual clients' diverse needs by taking advantage of both companies' know-how for the consulting business accumulated over the years and through integration of their clients base and office networks.



In May 2013, we began trial business operations under the new business promotion model ("Integrated model for retail in banking and securities businesses") which makes maximum utilization of the respective characteristics of SMBC and SMBC Nikko Securities. As clients responded positively to such new business operations, we plan to increase the number of branch offices under new business operations for the scheduled implementation in all branch offices by the end of fiscal 2014. We, the SMFG Group, will continue to provide high-value services to clients.

### Life Insurance and Estate

SMBC offers life insurance policies over the counter at its branches throughout Japan. We additionally provide services enabling our clients to request information materials without visiting our branches, as long as they make such requests by using ATMs, the internet or the telephone by consulting with experienced operators. In fiscal 2013, we began handling the permanent life insurance, which ensures the security for death and disability for a lifetime and enables savings for the future, and also individual variable annuity insurance denominated in foreign currency to accommodate clients' needs for asset growth while protecting their valuable assets from inflation due to economic recovery and growth in the future. In addition, we meet the inheritance-related needs of clients by offering testamentary trust services for drafting, storage and execution of wills, including "inheritance disposition" services by assisting with complicated procedures required for inheritance or "Relay of Trust to Family" services enabling clients and family to regularly receive funds.



### Consumer Loans and Settlement

In February 2014, SMBC began providing the "Housing Loan with special provision for partial exemption for payments in case of natural disasters" and added another special provision of "Guaranteeing the balance." In October 2013, we released the "Housing loan with major illnesses security insurance" by raising the eligible age to 55 for the coverage of eight major illnesses (our popular loan product with provision which covers eight major illnesses (three potentially fatal and five serious and chronic illnesses)); and by also increasing the coverage

for daily illnesses and injuries. In addition, we handle the “Life Event Support Pack” as the card loan with special interest rates especially made for clients who plan to take housing loans, in order to accommodate financial needs for such as childbirth, education or renovation after acquiring a house. We are working to develop products and enhance our services in order to accommodate the diverse needs of clients.



We also substantially improved the convenience for clients requesting housing loans by enabling them to complete their applications for making either full or partial prepayments, or changing the interest rate to floating or fixed, by utilizing SMBC Direct, the online banking service.

In other improvements, SMBC has assigned “Financing Facilitation Consultant Experts” at all branches and eight other locations throughout Japan where a special department is established for loan support services to provide consultations for clients. For housing finance for clients affected by the Great East Japan Earthquake, we offer housing loans with special rates, and we also offer our existing clients consultation services on more flexible loan repayments for those who have already taken out SMBC housing loans. We continue to provide meticulous support for, and promptly and appropriately respond to, clients who have difficulties making housing loan repayments.

As for SMBC unsecured consumer loans (card loans), guaranteed by SMBC Consumer Finance Co., Ltd., the total loan balance as of March 2014 has exceeded ¥460 billion due to the steady increase of loans. Further, in October 2013, a new series of television commercials started to be on air, emphasizing the simplicity of application for card loans.



## Topics

### ◆Extension of Business Hours (Weeknights and Holidays)

To enhance services for individual clients, SMBC has branches with extended business hours for weekdays and holidays.

In April 2014, we newly added 26 branches with extended business hours for weekdays and holidays, in addition to 74 branches (resulting in a total of 100 such branches throughout Japan).

As for any other branches, we periodically hold consultation sessions on holidays in order to appropriately accommodate diverse lifestyles of clients.



### ◆Improvement of the Call Center System

Clients are able to easily contact and access SMBC call centers to accommodate their diverse financial needs. We reviewed the call center system in April 2014 in order for our clients to be fully satisfied with our services. In particular, we clearly divided roles and responsibilities of the call center operations and developed the system to contribute to clients satisfaction. Accordingly, we established the Remote Business Department which is the call center specializing in “out bound” business of providing comprehensive financial consultations on telephone to those clients who did not have opportunities to discuss with the bank on effective utilization of their assets on daily basis. Another call center specializes in “in bound” business of promptly responding to clients’ inquiries.

For those clients who are busy at work and unable to go down to the bank, we provide consultation services by telephone on Saturdays, Sundays and evenings. We will fulfill new and challenging roles and responsibilities of the call centers in order to make clients satisfied.