

Sumitomo Mitsui Finance and Leasing



Yoshinori Kawamura
President and Representative Director,
Sumitomo Mitsui Finance and
Leasing Company, Limited

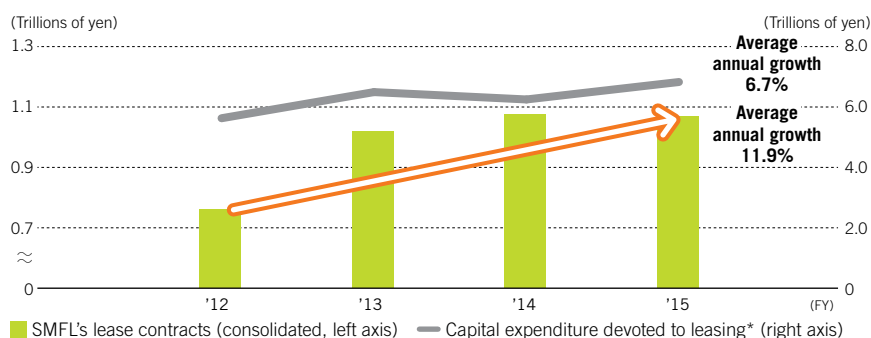
Fiscal 2015 performance

In fiscal 2015, leasing transactions at Sumitomo Mitsui Finance and Leasing (SMFL) amounted to ¥1,994.8 billion and year-end consolidated operating assets was ¥4,192.6 billion. Consolidated gross profit increased by ¥5.8 billion from fiscal 2014, to ¥142.8 billion, and consolidated net business profit increased by ¥0.1 billion, to ¥80.7 billion. In Japan, demand for capital expenditure was firm and led to brisk business in rental and installment sales. Overseas, our aircraft leasing business expanded, we also acquired majority ownership of a German sales finance company as we pursued diversification in the sales finance business.

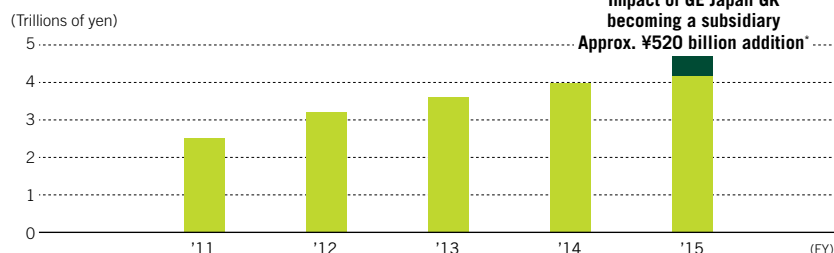
Business environment and strategy going forward

Outlook of the business environment has worsened due to weak recovery momentum in the Japanese economy and continuing concerns of economic slowdown overseas. Against this backdrop, SMFL acquired the General Electric Group's Leasing Business in Japan on April 1, 2016. We will aim to reinforce our position as a leader in Japanese leasing by drawing on our respective expertise and resources to realize synergies. We are seeking business in growth areas including hydrogen and agriculture, and we will tighten risk management especially in our overseas business. In aircraft leasing, we will collaborate with SMFG group companies and the Sumitomo Corporation Group to offer solutions to airlines and investors in Japan and overseas.

Capital expenditure devoted to leasing* and SMFL's lease contracts



SMFL consolidated operating assets

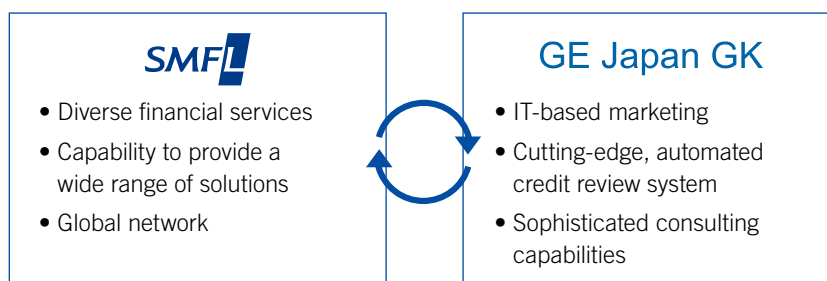


* Aggregate of SMFL consolidated operating assets as of March 31, 2016, and the operating assets of GE Japan GK, which became a subsidiary on April 1, 2016.

► Collaboration with GE Japan GK to realize synergies

SMFL and GE Japan GK will leverage their strengths and expertise to realize synergies in providing new value for an increased number of clients.

Note: GE Japan GK is scheduled to change its name to SMFL Capital Company, Limited, on September 5, 2016.



► Involvement in growth sectors

SMFL is pursuing business in hydrogen. We were responsible for the first mobile hydrogen fuel station lease in Japan and we are also involved in smart hydrogen station leasing.

In agriculture, we have created the Agri Assist Program for leasing to farmers in support of their diversification into related sixth sector industrialization, the introduction of larger-scale farming, and the introduction of cutting-edge technology.



Involves in the hydrogen business



Creates a leasing program for farmers

► Aircraft leasing

SMBC Aviation Capital ranks third globally for the number of aircraft owned and managed.

The company is working alongside SMFL and SMBC to harness the comprehensive power of SMFG in meeting the diverse needs of airlines and investors in Japan and overseas.

