

## Business Strategy

# Support for Mid-Sized Corporations and SMEs, Vitalization of Local Regions in Japan

### Support Provision of Funds to Mid-Sized Corporations and SMEs

In April 2014, SMBC established its Area Main Offices to more fully address the wholesale-retail integral needs of mid-sized corporations and SME clients, including the aspect of business succession. Area Main Offices enable us to offer integrated corporate and personal consulting and draw on SMFG company networks to provide specialist services. In addition to providing business loans, SMFG companies offer tailored support, including consultation on overseas business development, business matching, business succession, and internal company reforms, alongside consultation on personal asset management, loans, inheritance, and asset succession.

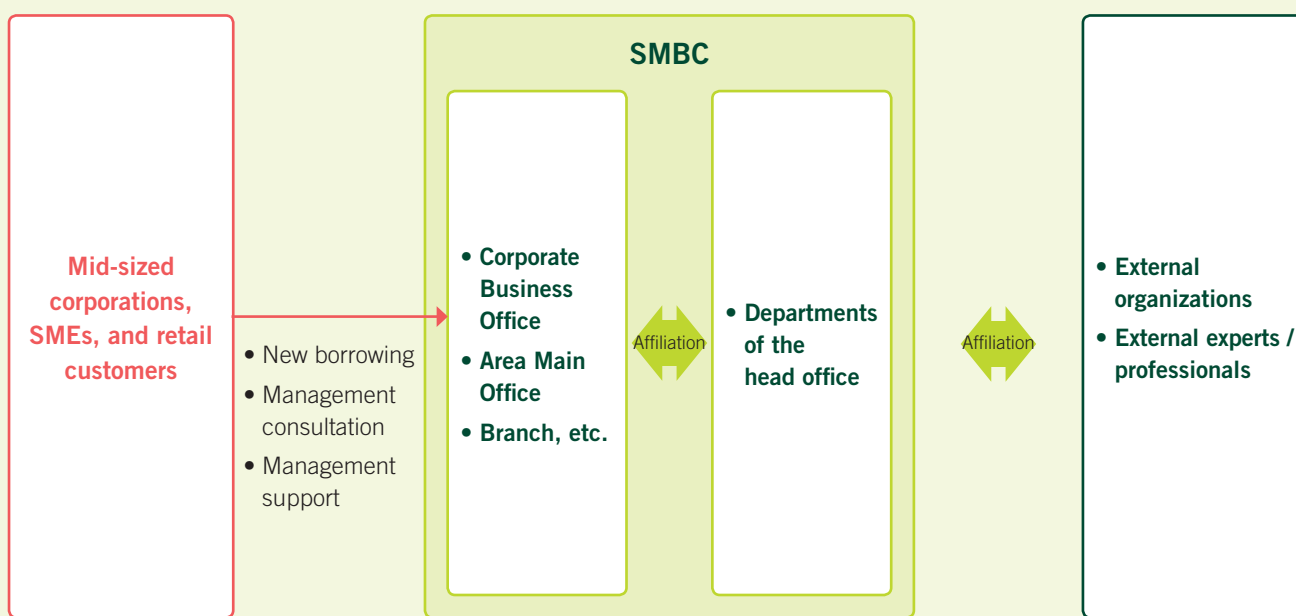
### Collaboration with Local Credit Guarantee Corporations

SMBC offers Business Select Loans, a loan service that offers unsecured and unguaranteed financing, and also provides jointly guaranteed loans through collaboration with local credit guarantee corporations, enabling it to meet a diverse range of funding needs.

Going forward, we will continue offering services to fund and support the management of the mid-sized corporations and SMEs that form the backbone of the Japanese economy.

Credit Guarantee Corporation	Name
TOKYO GUARANTEE	Tie-up A / B
Credit Guarantee Corporation of Osaka	Business Succession Guarantee
Credit Guarantee Corporation of Hyogo-Ken	<i>Hiyaku</i>

### Operational Support Structure for Mid-sized Corporations and SMEs



## Support for Management Improvements, Business Regeneration, and Business Conversion

Along with its efforts to fulfill its intermediary function smoothly, SMBC seeks to provide solutions to management issues, putting itself in the position of the client to devise optimum proposals based on the nature of the issues and the client's stage in life. Ample time is spent on the provision of support, and in this respect we are making increasing use of consultation. Examples include offering a full range of loan products devised to meet funding needs and address management issues. We also provide solutions in such areas as business matching, overseas business development, and business succession.

Our assistance in business operating improvements and regeneration involves links with external experts / professionals<sup>\*1</sup> and external organizations<sup>\*2</sup> to provide support in drawing up plans for improvement and advice in such areas as cost cutting and asset sales.

For clients that have suffered damage in natural disasters, we propose optimal solutions and effect help in rebuilding lives and business.

\*1 SMBC Consulting, certified tax accountants, certified public accountants, etc.

\*2 Council supporting revitalization of SMEs, Regional Economy Vitalization Corporation of Japan, etc.

## Involvement in Regional Stimulus

Regional stimulus is a key theme for the Japanese government. Related “regional comprehensive strategy” plans drawn up by local government entities are moving to their implementation stage.

It is becoming important for regions to exercise their comprehensive strength in advancing stimulus measures. There are thus high expectations for the contributions that financial institutions can make by leveraging their wide-reaching information networks.

SMFG has entered into cooperation agreements with local government entities as part of its efforts to assist in local industrial development. Based on these agreements, we are making contributions to regional stimulus from various angles based on the specific issues and needs of individual local government entities across Japan.

We will continue to work with local government entities and regional financial institutions across Japan, drawing on the SMFG network to contribute to local economies through regional stimulus.



Ceremony commemorating the industrial development cooperation agreement concluded between the city of Kobe and SMFG

## Measures for Finance Facilitation

SMBC's “Basic Policy for Finance Facilitation” underlies efforts to be diligent and thorough in the provision of funding and consultation.

### “Basic Policy for Finance Facilitation”

1. Conduct appropriate review of applications submitted for a new loan or requests to modify loan conditions
2. Provide appropriate management consultation and guidance for clients and appropriate support for management improvements
3. Strive to improve the ability to assess the value of a client's business appropriately
4. Provide appropriate and thorough explanations to clients in consultations and applications for new loans or modification of loan conditions
5. Respond appropriately and adequately to client inquiries regarding new loan and modification consultations and applications and to consulting requests or complaints
6. Liaise closely with other financial institutions involved in applications for modifying loan conditions or other applications
7. Respond appropriately in respect of business manager guarantees in accordance with the “Guidelines for Guarantees for Business Managers”