

Investor Presentation

February, 2025



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FINANCIAL GROUP

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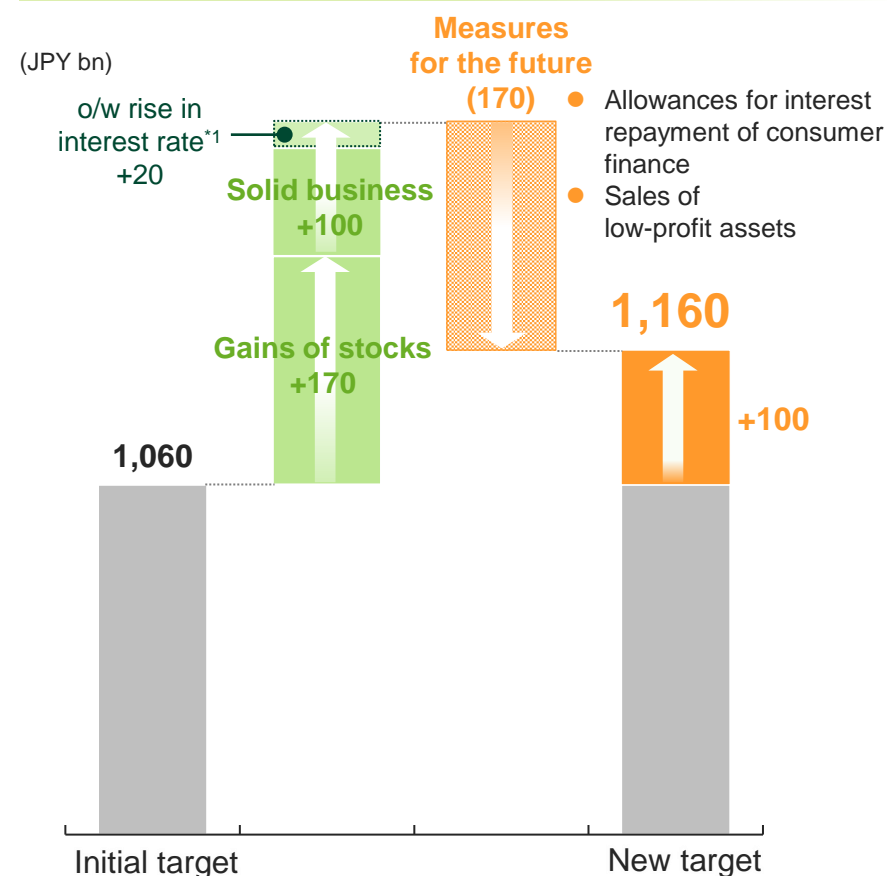
Financial Results

1H results and target

Revised upward the full year target by JPY 100 bn to JPY 1.16 tn, due to strong business performance and larger gains on stocks while implemented radical measures to enhance future profitability.

	1H FY3/25		FY3/25 target	
	result	YoY	revised	vs. initial
(JPY bn)				
Consolidated gross profit	2,045.3	+227.9	—	—
G&A expenses	1,172.7	+90.5	—	—
Consolidated net business profit	918.2	+147.3	1,620	—
Progress	57%			
Total credit cost	83.9	(16.4)	260	—
Ordinary profit	1,030.5	+321.2	1,710	+150
Profit attributable to owners of parent	725.2	+198.7	1,160	+100
	68%			
ROE ^{*2}	9.8%	+1.8%	—	—

Breakdown of upward revision



*1 Changed assumption of policy rate (Japan: 0.1%⇒0.25%, US: 5.0%⇒4.0%)
(FX assumption unchanged: USD1=JPY140)

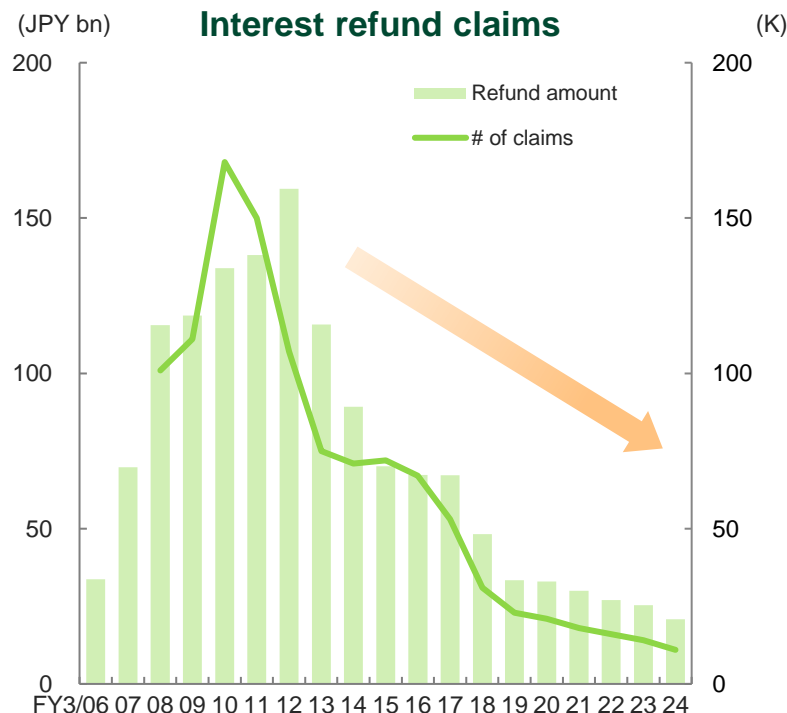
*2 Denominator: Shareholder's equity + total accumulated other comprehensive income

Radical allowance on interest repayment

A one-time provision of JPY 99 bn (pre-tax) has been made for interest repayment at SMBCCF.
Reduce earnings volatility and transform a business model through proactive digital investments.

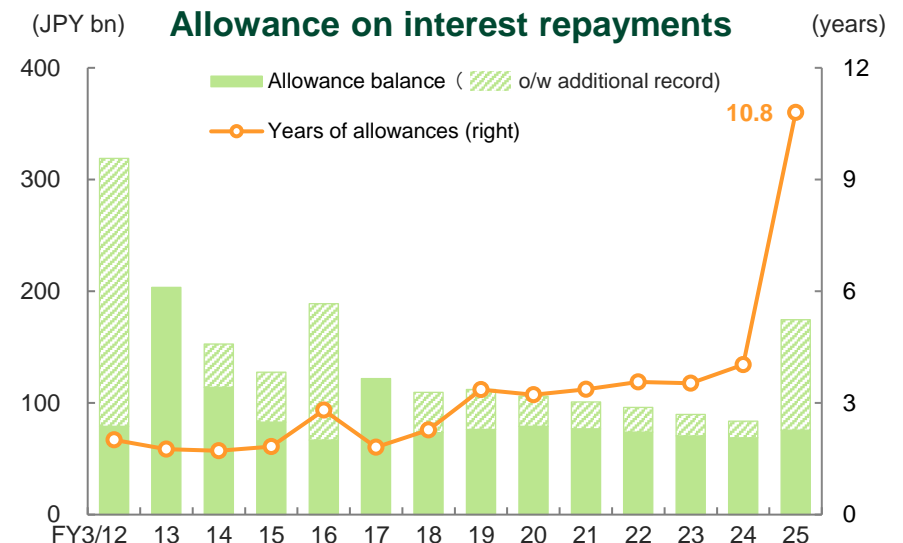
Claims for Interest refund have been decreasing

- Both the number of claims and refund amount have significantly decreased due to repayments and the statute of limitations



Record radical allowance on interest repayment

- Profit increase absorbs the impact of this allowance on the consolidated basis.
- Total allowance will cover a period exceeding 10 years.

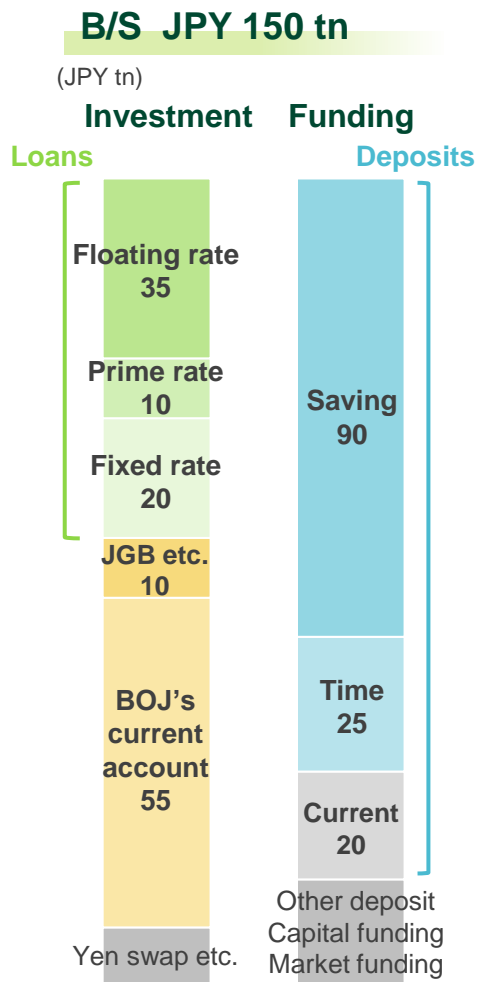


Reduce earnings volatility

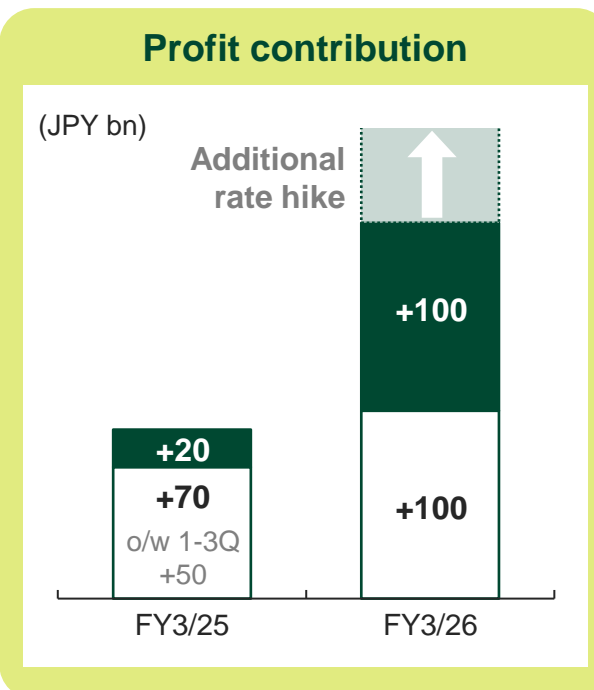
Transform a business model through digital investment

Estimated impact of JPY interest rate hike

Previous policy rate hikes are expected to increase net interest income by JPY 200 bn (JPY 90 bn in FY3/25.)
 Every 0.25% rate increase will generate an additional JPY 100 bn annually.



Impact on net interest income*1



Assumptions			
Floating rate loans	+25bps	Saving deposits	+10bps
Prime rate loans	+25bps	Time deposits	+10bps
Fixed rate loans	+25bps		
JGB	+25bps		
BoJ's current account	All +25bps		

Our initiatives			
Loan	<ul style="list-style-type: none"> Strong loan demand (balance: YoY +7%) Loan spreads improved YoY on top of base rate increase 	Deposit	<ul style="list-style-type: none"> Focus on acquiring sticky, low-cost liquid deposit Olive: deposit increase +30%*3
JGB etc.	<ul style="list-style-type: none"> Grasp market trends and flexibly control balances 		

*1 Based on assumption of no change in balance sheet *2 +25bps increase in both short-term and long-term rate

*3 Comparison of the deposit balances at the end of following Dec. for new account holders before and after Olive release (Mar. 22 - Feb. 23, Mar. 23 - Feb. 24).

Income statement

Plan for
Fulfilled Growth

	(JPY bn)	1-3Q FY3/25	YoY	FY3/25 target
1	Consolidated gross profit	3,162.3	+436.0	
	G&A expenses	1,773.0	+141.9	
2	Overhead ratio	56.1%	(3.7)%	
3	Equity in gains (losses) of affiliates	70.5	(36.3)	
	Progress			
4	Consolidated net business profit	90% 1,459.8	+257.7	1,620
5	Total credit cost	158.0	+23.4	260
6	Gains (losses) on stocks	431.2	+286.6	
7	Other income (expenses)	(113.9)	(98.6)	
8	Ordinary profit	1,619.1	+422.4	1,710
9	Extraordinary gains (losses)	(6.6)	+105.5	
10	Income taxes	470.0	+181.9	
11	Profit attributable to owners of parent	98% 1,136.0	+343.1	1,160
12	ROE incl. OCI^{*1}	10.1%	+2.1%	
13	ROE^{*2}	13.8%	+3.7%	

- **Consolidated gross profit:** increased YoY due to
1) increase of income on loan and deposit in domestic and overseas,
2) good performance of wealth management business, payment business and consumer finance, and
3) increase of fee income in domestic wholesale business.
Impact of FX: +50
- **G&A expenses:** despite the impact of inflation (+32), the overhead ratio has significantly improved due to effective cost control.
Impact of FX: +43
- **Equity in gains of affiliates:** decreased YoY due to absence of insurance settlement at SMBCAC (45), while making VPBank and RCBC equity-method affiliates (+7)
Impact of FX: +40
- **Total credit cost:** increased in overseas banking subsidiaries including the consolidation of OTO/SOF, as well as cost from large borrowers in overseas.
- **Gains on stocks:** increased due to gains on sales of equity holdings: 386 (YoY+224)
- **Others:** booked a radical allowance on interest repayment of consume finance : (99)
- **Extraordinary gains (losses):** absence of loss for sales of U.S. freight car leasing business: +107

*1 Denominator: Shareholder's equity + total accumulated other comprehensive income

*2 Based on shareholder's equity

SMBC

	(JPY bn)	1-3Q FY3/25	YoY	FY3/25 target
1 Gross banking profit		1,740.1	+394.4	
2 o/w Net interest income		1,176.6	+359.0	
3 o/w Gains (losses) on cancellation of investment trusts		62.6	+56.6	
4 Domestic		596.3	+165.4	
5 Overseas		580.2	+193.6	
6 o/w Net fees and commissions		404.7	+34.8	
7 Domestic		179.3	+14.9	
8 Overseas		225.4	+19.8	
9 o/w Net trading income+ Net other operating income		156.4	+0.3	
10 o/w Gains (losses) on bonds		13.6	(7.6)	
11 Expenses		782.8	+58.6	
12 Banking profit		957.3	+335.8	1,020
13 Total credit cost		15.7	+13.8	45
14 Gains (losses) on stocks		411.1	+272.7	
15 Extraordinary gains (losses)		29.2	+19.9	
16 Net income		1,013.5	+458.6	1,040

Dividend from subsidiary (+145)
⇒ eliminated in the consolidated P/L

Other major group companies

(left : results of 1-3Q FY3/25 / right : YoY)

(JPY bn)	SMBC Nikko ^{*1}		SMCC ^{*2}		SMBC Trust	
Gross profit	406.6	+58.6	611.1	+18.4	50.9	(1.5)
Expenses	332.8	+32.0	408.7	+0.9	31.8	+1.6
Net business profit	73.8	+26.6	198.2	+27.4	19.1	(3.0)
Net income	75.3	+31.1	(21.5)	(74.0) ^{*3}	13.9	(3.0)

(Equity method affiliate)

	SMDAM ^{*4}		SMFL ^{*5}	
		50%		50%
Gross profit	35.6	+5.2	235.3	+18.7
Expenses	26.4	+1.7	101.3	+9.7
Net business profit	9.2	+3.5	143.6	+12.5
Net income	3.9	+1.3	76.9	(43.0)

*1 Incl. profits from SMBC Nikko America and SMBC Capital Markets (managerial accounting basis) *2 Incl. SMBCCF

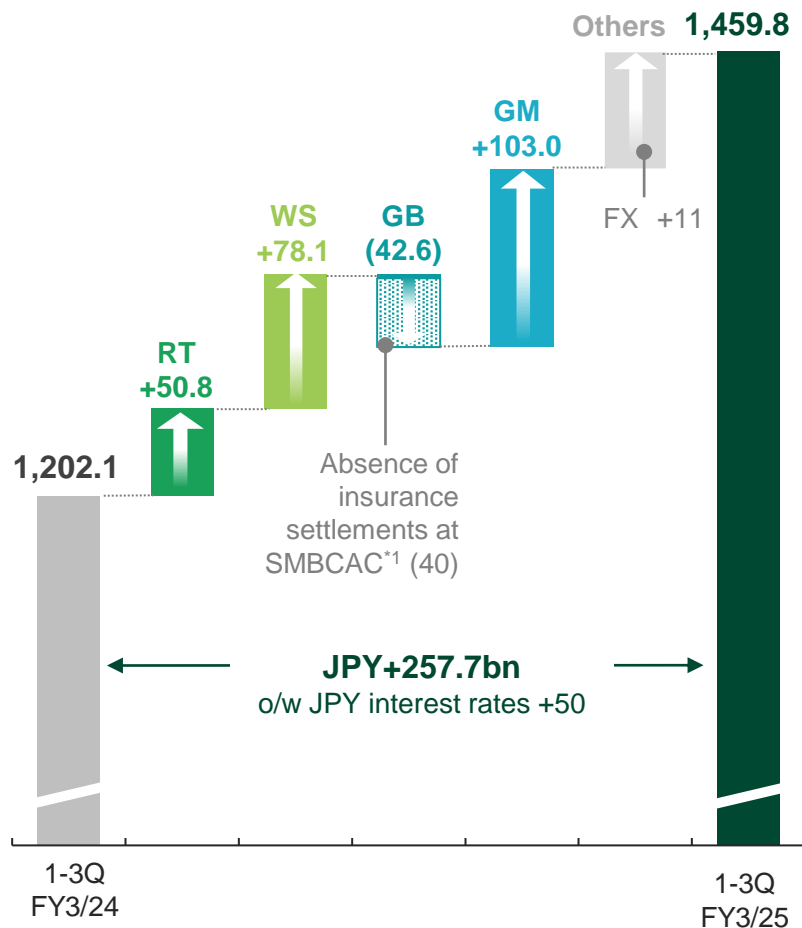
*3 Incl. the radical allowance on interest repayment : JPY (88) bn *4 Incl. SMBC Global Investment & Consulting

*5 Managerial accounting basis

Breakdown of profit

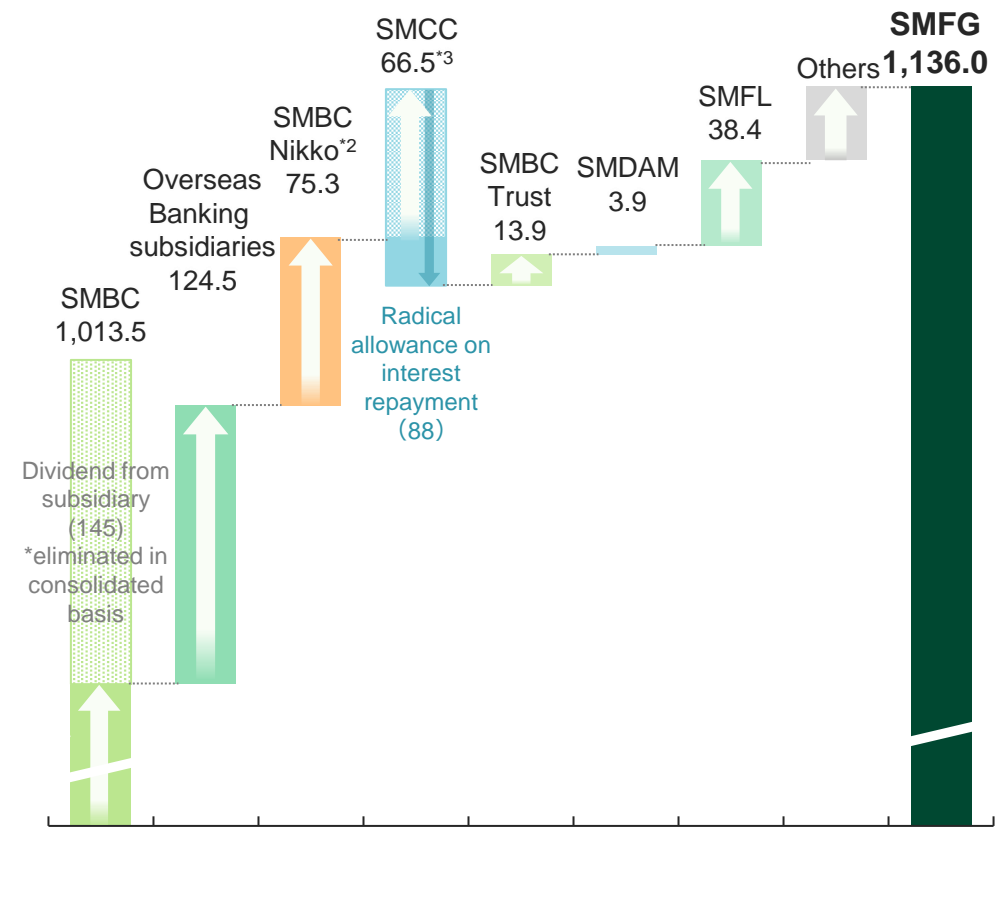
Consolidated net business profit (YoY)

(JPY bn)



Bottom-line profit (group companies)

(JPY bn)



*1 Record JPY 40 bn to GB, excluding FX impact from JPY 45 bn in financial accounting.

*2 Incl. profits from SMBC Nikko America and SMBC Capital Markets (managerial accounting basis)

*3 Incl. SMBCCF (excl. impact on the allowance on interest repayment)

Consolidated gross profit

Plan for
Fulfilled Growth

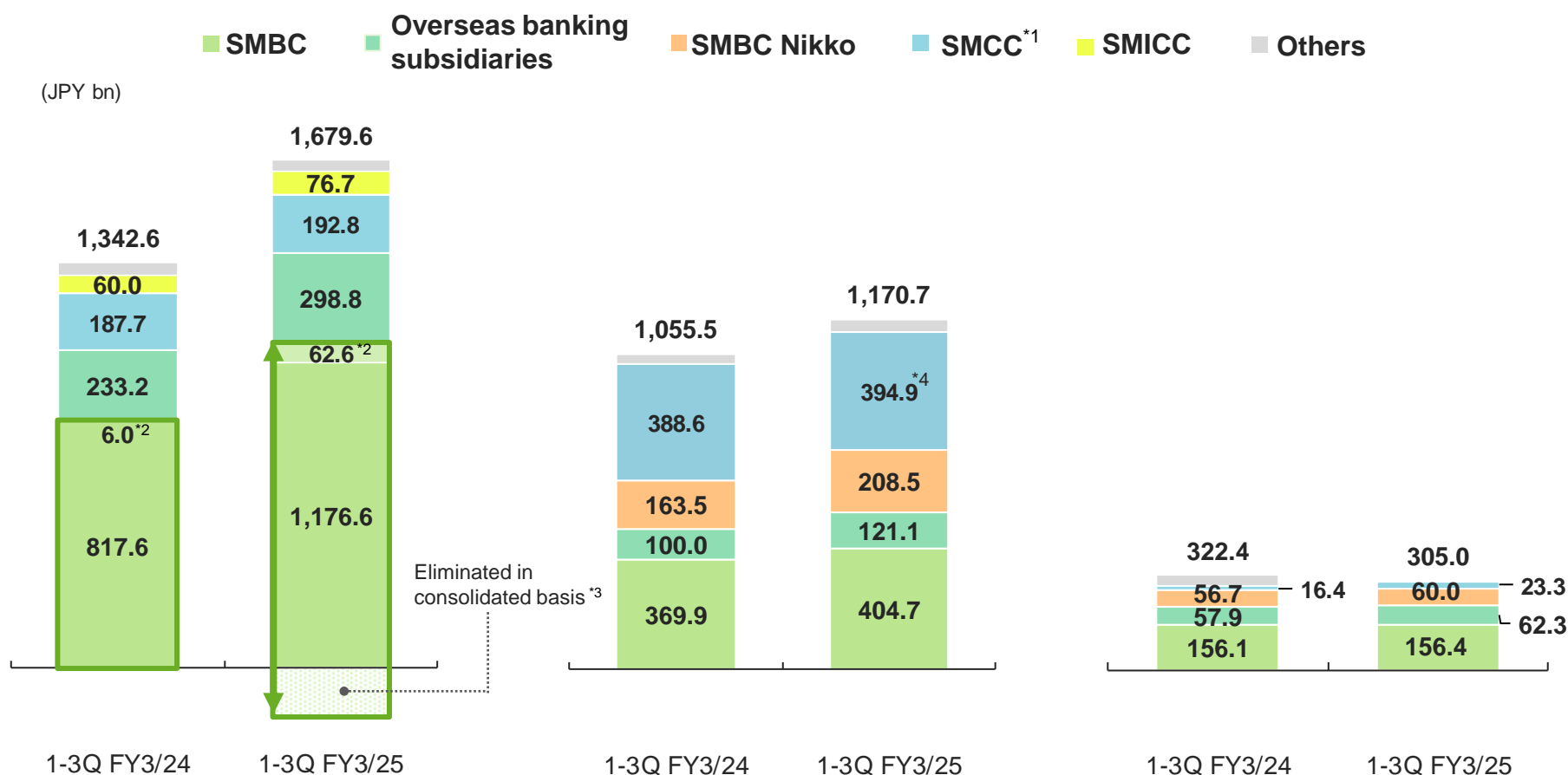
Net interest income increased due to a rise in loan volume and an improvement on margins.

Fee income also performed well driven by SMBC and SMBC Nikko, mainly in wealth management business and loan-related fees.

Net interest income

Net fees and commissions

Net trading income + Net other operating income



*¹ Incl. SMBCCF *² Gains on cancellation of investment trusts *³ Incl. dividend from subsidiary: JPY 145 bn

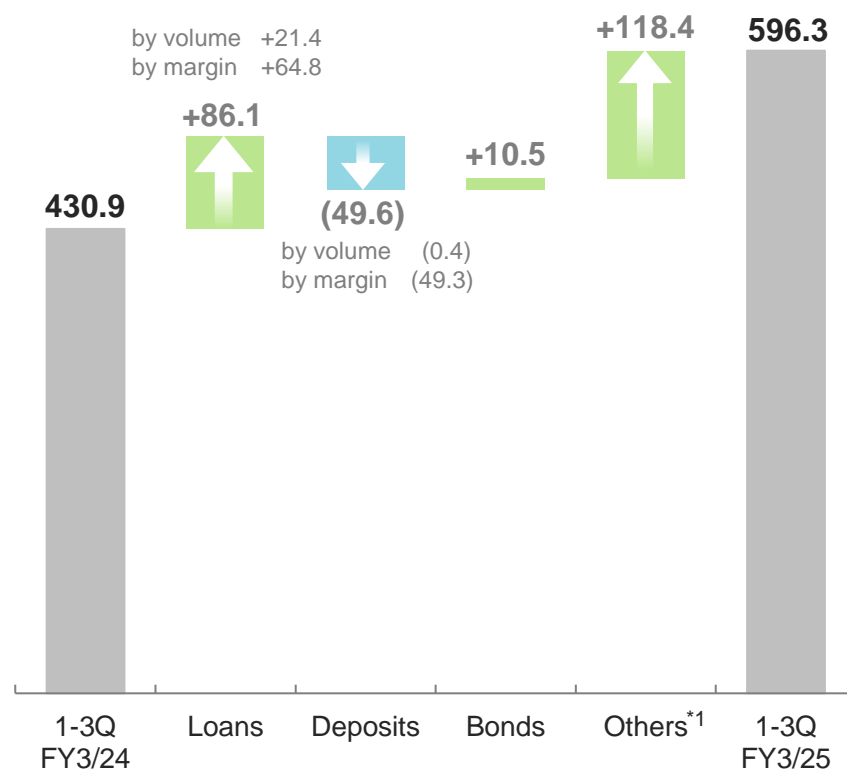
*⁴ Decrease of JPY 21 bn YoY due to changes in calculation method

(Ref.) Net interest income (SMBC)

Domestic

- Income from loans and deposits increased due to improved loan-to-deposit spread and increased loan volume.
- Gains on cancellation of investment trusts, etc. increased under favorable stock market and policy rate hike.

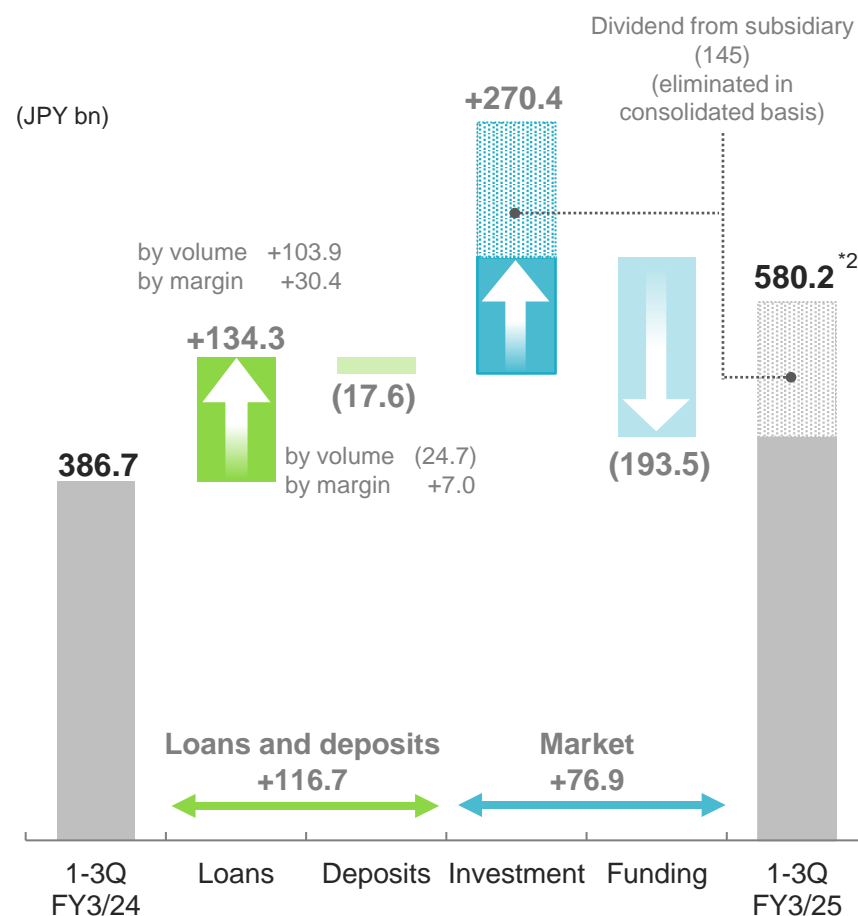
(JPY bn)



Overseas

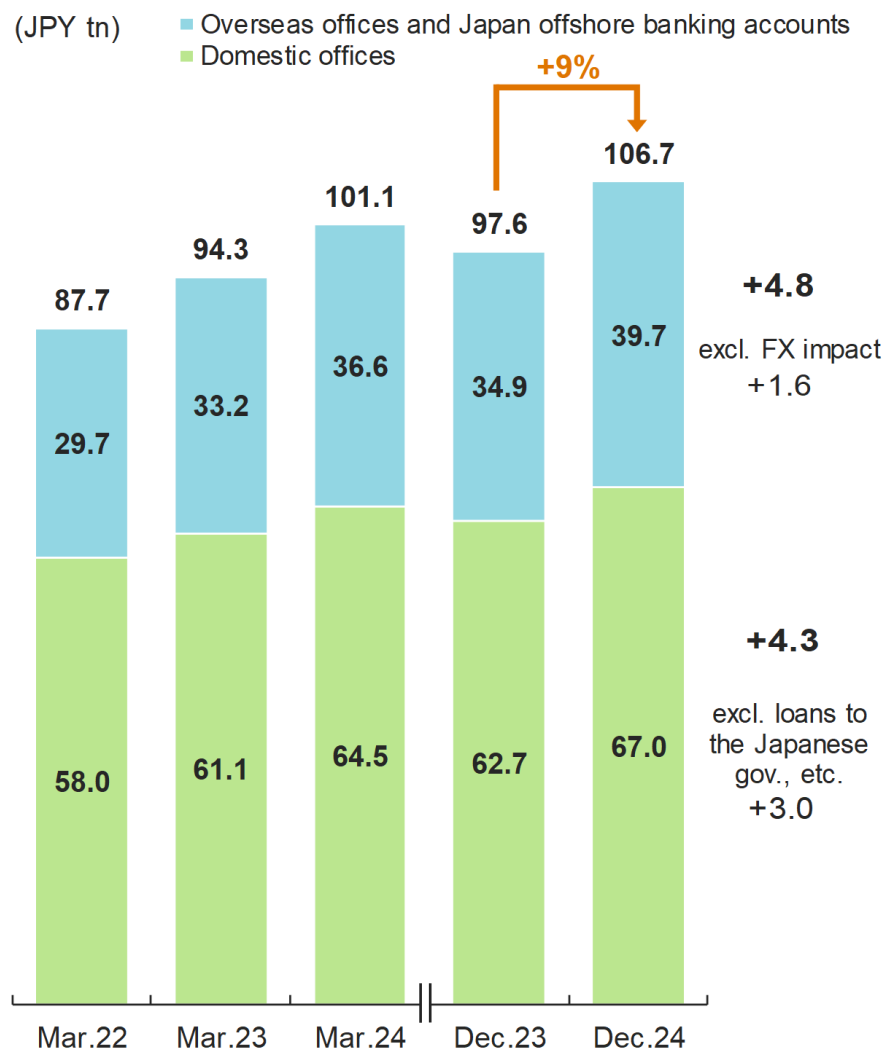
- Income from loans and deposits increased due to both loan volume and margins, despite the increase in deposit costs due to volume.

(JPY bn)



*1 Incl. gains on cancellation of investment trusts *2 Incl. dividend from subsidiary

Loan balance



Domestic loan-to-deposit spread

	1-3Q FY3/25	YoY	1Q	2Q	3Q
(%) Interest earned on loans and bills discounted	0.98	+0.15	0.92	0.97	1.04
Interest paid on deposits, etc.	0.05	+0.05	0.01	0.05	0.09
Loan-to-deposit spread	0.93	+0.10	0.91	0.92	0.95
(Ref.) Excl. loans to the Japanese government, etc.					
Interest earned on loans and bills discounted	1.00	+0.15	0.94	0.99	1.07
Loan-to-deposit spread	0.95	+0.10	0.93	0.94	0.98

Average loan balance and spread*2

	Balance (JPY tn)		Spread (%)	
	1-3Q FY3/25	YoY*4	1-3Q FY3/25	YoY
Domestic loans	62.1	+2.5	0.70	+0.01
Excl. loans to the Japanese government, etc.	58.9	+1.8	0.73	+0.01
o/w Large corporations	21.9	+1.4	0.60	+0.03
Mid-sized corporations & SMEs	22.0	+0.9	0.65	+0.02
Individuals	12.2	+0.3	1.21	(0.03)
GBU's interest earning assets*3	347.2 USD bn	+5.3 USD bn	1.26	+0.03

*1 SMBC *2 Managerial accounting basis *3 Sum of SMBC, Major local subsidiaries and SMBC Trust, etc. Sum of loans, trade bills, and securities. The spread shows the difference with the cost of funds

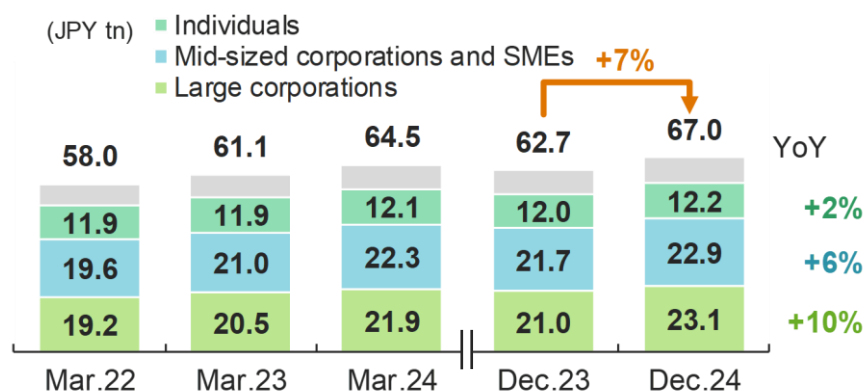
*4 After adjustments for exchange rates, etc.

Domestic loans and deposits*1

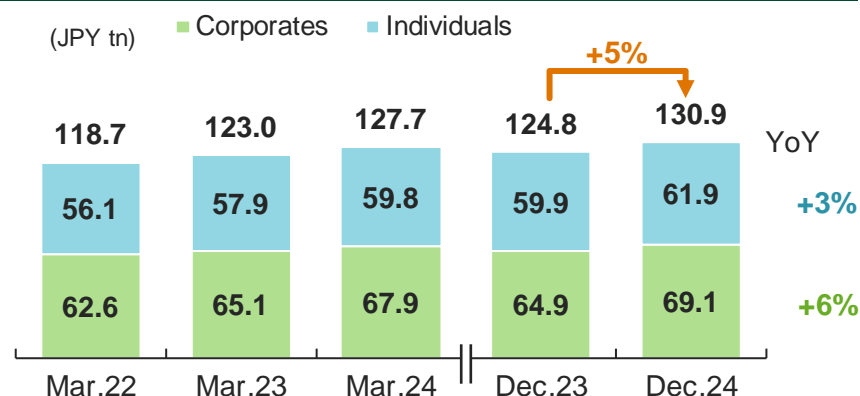
Plan for
Fulfilled Growth

Loans for large corporations increased by capturing corporate actions as well as working capital demand. Efforts to acquire deposits led to increases in both individuals and corporates amid rising interest rate.

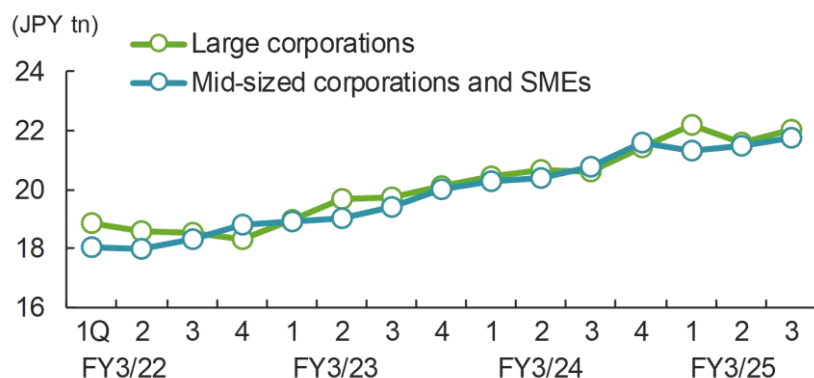
Loan balance*2



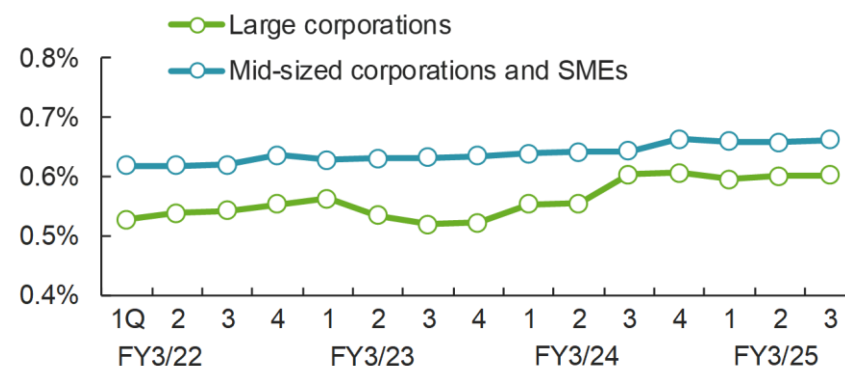
Deposit balance



Loan average balance for corporates*2,3



Loan spread for corporates*2,4



*1 SMBC *2 Managerial accounting basis *3 Quarterly average (excl. loans to the Japanese government)

Figures for SMEs are the outstanding balance of Corporate banking division

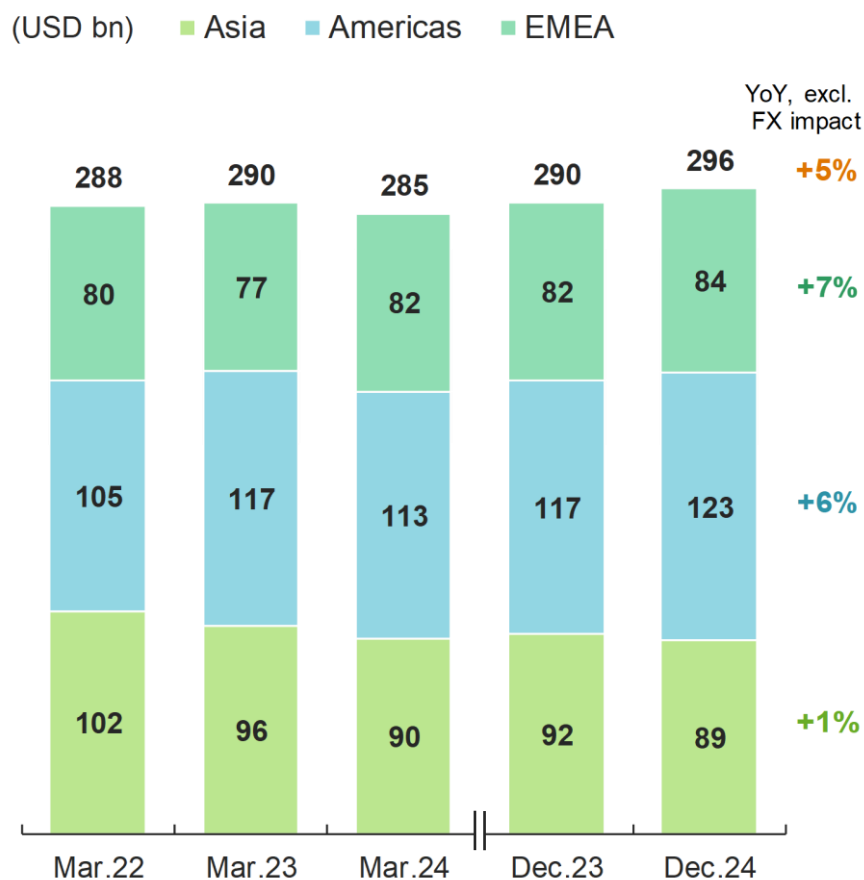
*4 Loan spread of existing loans (excl. loans to the Japanese government)

Overseas loans and deposits*1

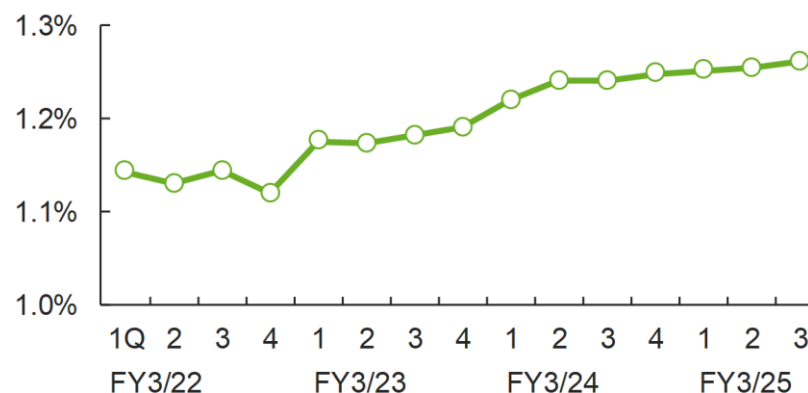
Plan for
Fulfilled Growth

Loan balance increased in Americas and EMEA mainly due to rising demands at the fiscal year end.
Loan spread has been improving due to initiatives with focus on ROE.

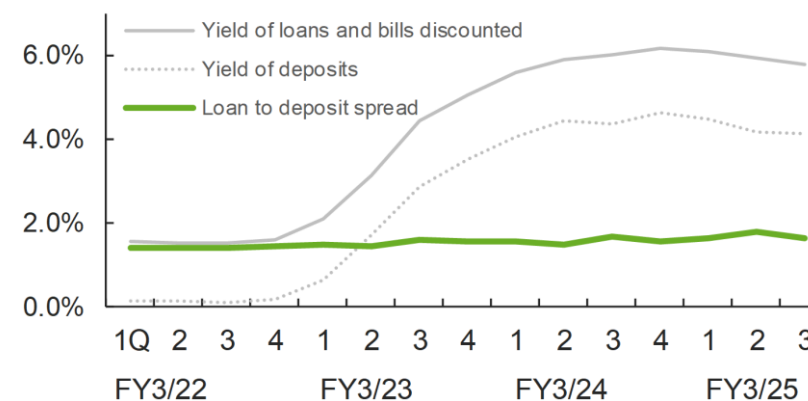
Loan balance



Loan spread*2



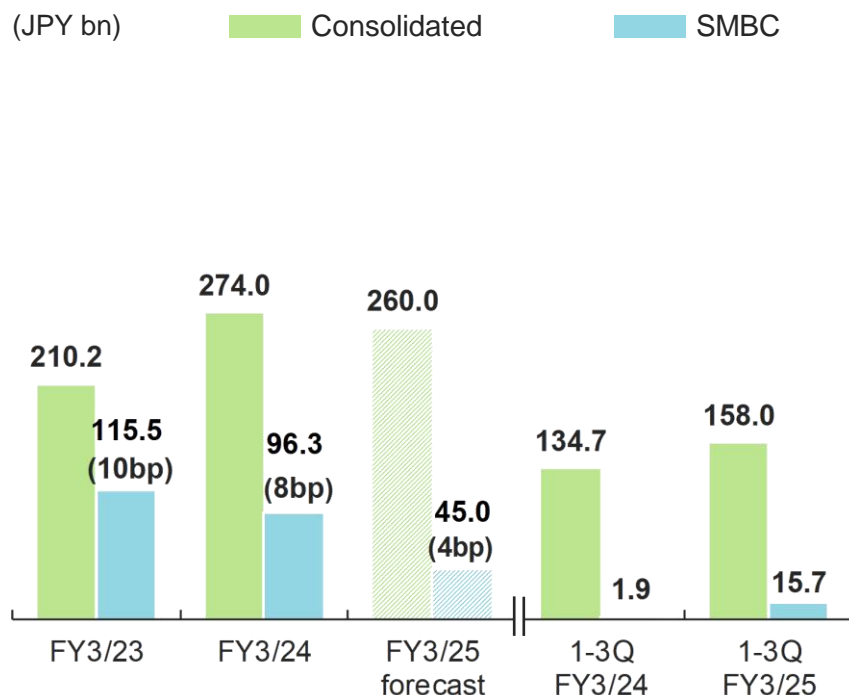
Loan to deposit spread



*1 Managerial accounting basis. Sum of SMBC and Major local subsidiaries

*2 Quarterly average loan spread of existing loans

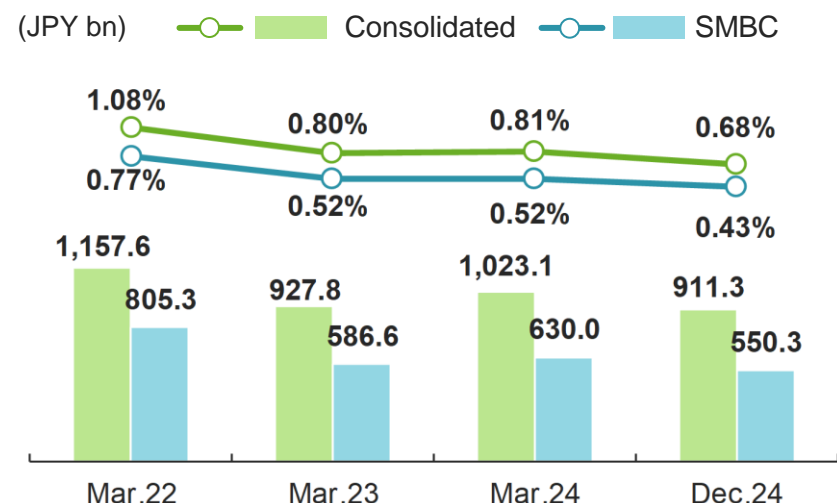
Credit costs



Major group companies

(JPY bn)	1-3Q FY3/25	YoY
SMCC	98	+6
o/w SMBCCF	56	+2
Overseas banking subsidiaries	44	+21
SMICC	21	+4

Non-performing loan ratio and balance^{*1}



Non-performing loan balance (consolidated)^{*2}

	(JPY bn)	Mar.22	Mar.23	Mar.24	Dec.24
Domestic			558.7	651.1	471.3
Asia			219.7	209.9	208.6
Americas			67.7	84.5	94.6
EMEA			81.6	77.6	136.6

Claims on borrowers requiring caution (excl. claims to substandard borrowers)

	(JPY tn)	Mar.22	Mar.23	Mar.24	Dec.24
SMBC		1.8	1.8	1.8	1.9

Total claims

	(JPY tn)	Mar.22	Mar.23	Mar.24	Dec.24
Consolidated		116	126	134	134
SMBC		113	120	127	127

^{*1} NPL ratio = NPLs based on the Banking Act and the Reconstruction Act (excl. normal assets) / Total claims

^{*2} Managerial accounting basis

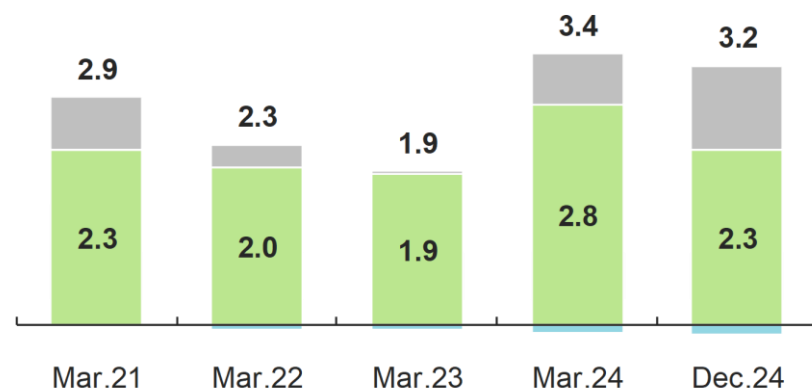
Breakdown of other securities (consolidated)

	B/S amount		Unrealized gains (losses)	
	(JPY bn)	Dec.24 vs Mar.24	Dec.24 vs Mar.24	
Held-to-maturity	259.4	+25.3	(4.0)	(2.6)
Available for sales	40,103.4	+3,970.6	3,217.2	(175.9)
Stocks (domestic)	3,400.1	(719.7)	2,251.9	(585.1)
Bonds (domestic)	11,931.7	+1,171.3	(122.1)	(21.9)
o/w JGBs	9,071.8	+1,524.5	(54.5)	+0.4
Others	24,771.7	+3,519.0	1087.3 ^{*1}	+431.1
o/w Foreign bonds	19,098.3	+2,262.1	(668.6)	+22.0

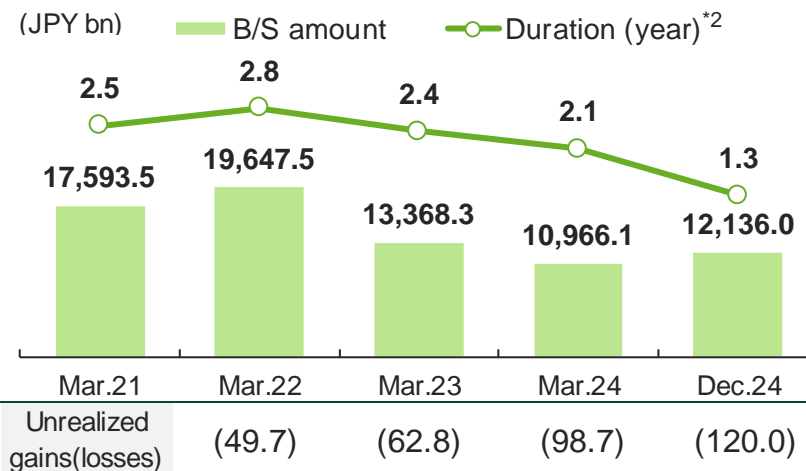
Risk volume is controlled by hedging and others

Unrealized gains

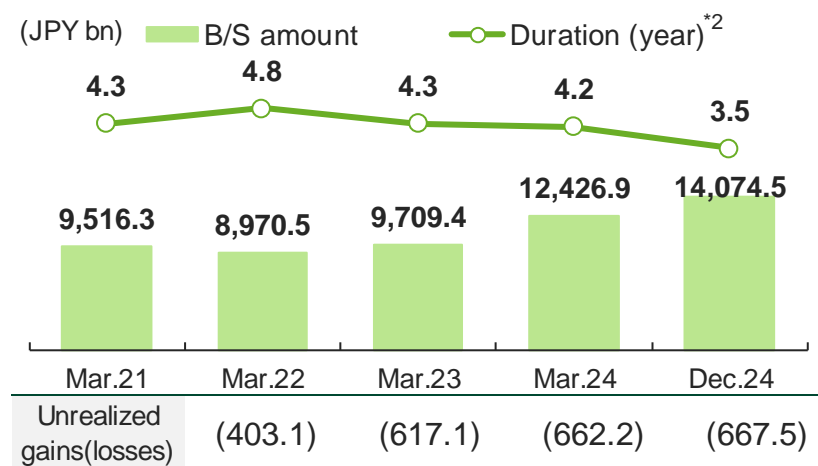
(JPY tn) ■ Stocks(domestic) ■ Bonds(domestic) ■ Others



Yen-denominated bonds (SMBC)



Foreign bonds (SMBC)



*1 The difference between foreign bonds and others is unrealized gain on foreign stocks

*1 Managerial accounting basis (excl. bonds classified as held-to-maturity, bonds for which hedge-accounting is applied, and private placement bonds)

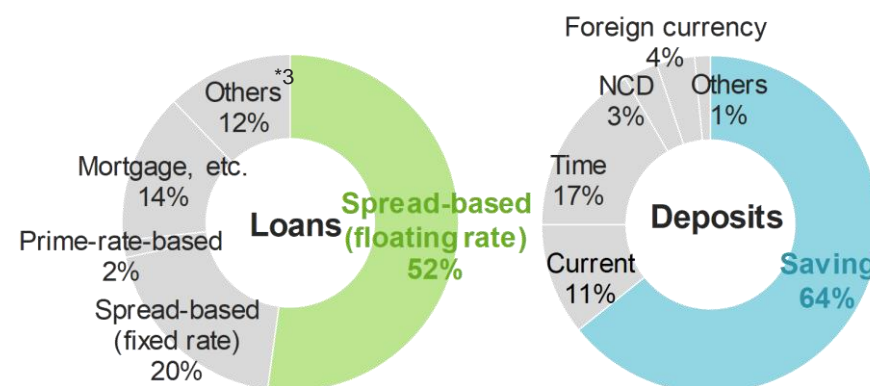
Consolidated

(vs Mar.24)

Loans JPY 113.4 tn (+JPY 6.4 tn) <table> <tr> <td>Domestic loans^{*1}</td><td>JPY 67.0 tn</td></tr> </table>	Domestic loans ^{*1}	JPY 67.0 tn	Deposits JPY 188.3 tn (+JPY 8.7 tn) <table> <tr> <td colspan="2">Loan to deposit ratio 60.2%</td></tr> <tr> <td>Domestic deposits^{*1}</td><td>JPY 130.9 tn</td></tr> <tr> <td>NCD</td><td>JPY 16.2 tn</td></tr> </table>	Loan to deposit ratio 60.2%		Domestic deposits ^{*1}	JPY 130.9 tn	NCD	JPY 16.2 tn
Domestic loans ^{*1}	JPY 67.0 tn								
Loan to deposit ratio 60.2%									
Domestic deposits ^{*1}	JPY 130.9 tn								
NCD	JPY 16.2 tn								
Securities JPY 41.2 tn (+JPY 4.1tn) <table> <tr> <td>JGBs</td><td>JPY 9.1 tn</td></tr> <tr> <td>Foreign bonds</td><td>JPY 19.1 tn</td></tr> </table>	JGBs	JPY 9.1 tn	Foreign bonds	JPY 19.1 tn					
JGBs	JPY 9.1 tn								
Foreign bonds	JPY 19.1 tn								
Others JPY156.2 tn (+JPY 5.2 tn) <table> <tr> <td>Cash and due from banks</td><td>JPY 74.5 tn</td></tr> <tr> <td>BoJ's current account^{*1}</td><td>JPY 56.6 tn</td></tr> </table>	Cash and due from banks	JPY 74.5 tn	BoJ's current account ^{*1}	JPY 56.6 tn	Others JPY107.3 tn (+JPY 6.4 tn) <table> <tr> <td colspan="2">Total net assets JPY 15.3tn (+JPY 0.5tn)</td></tr> </table>	Total net assets JPY 15.3tn (+JPY 0.5tn)			
Cash and due from banks	JPY 74.5 tn								
BoJ's current account ^{*1}	JPY 56.6 tn								
Total net assets JPY 15.3tn (+JPY 0.5tn)									

Total assets JPY 310.9 tn (+JPY 15.6 tn)

Domestic loans and deposits^{*2}



Impact of possible interest hike^{*4}

Mar. 24	Jul. 24	Jan. 25	per +0.25%
0-0.1%	0.25%	0.50%	

Net interest income

+JPY 100 bn

+JPY 100 bn

+JPY 100 bn^{*5}

Assumption

Floating rate loan	+25bps
Prime-rate based loan	+25bps
Fixed rate loan	+25bps
JGBs	+25bps
BOJ current account	All 50bps
Ordinary deposit	+10bps
Time deposit	+10bps

*1 SMBC *2 Managerial accounting basis *3 Overdraft, foreign-currency-denominated, etc.

*4 Based on assumption of no change in balance sheet

*5 Based on certain assumption and will change by market environment

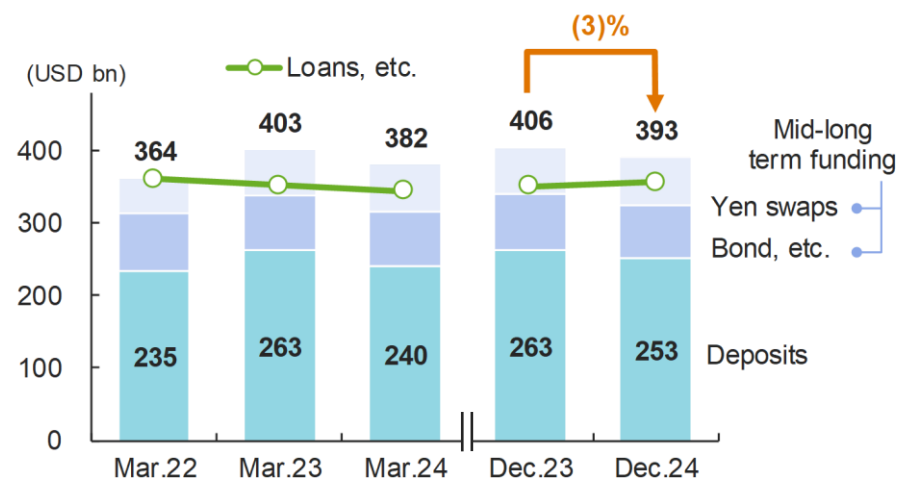
Non-JPY B/S^{*1,2}

(vs Mar.24)

Interest earning assets	Deposit^{*3}
USD 357 bn (+USD 12 bn)	USD 253 bn (+USD 13 bn)
Others	Mid-long term funding^{*4}
USD 138 bn (USD (0) bn)	USD 140 bn (USD (2) bn)
Foreign bonds, NCD	CD/CP
USD 92 bn (+USD 8 bn)	USD 88 bn (+USD 6 bn)
	Interbank (incl. Repo)
	USD 106 bn (+USD 3 bn)

Assets / Liabilities USD 587 bn (+USD 20 bn)

Foreign currency balance



(Ref.) Impact of change in foreign interest rate

Loan/deposit

- Most of the loans and deposits are based on market rate
- Net interest income increase by JPY 20 bn when interest rate increase by 1%, as a part of the deposits have low sensitivity to interest rate and vice versa

*1 Managerial accounting basis *2 Sum of SMBC and major local subsidiaries

*3 Incl. deposits from central banks *4 Corporate bonds, currency swaps, etc

Results by Business Unit (1)

Plan for
Fulfilled Growth

Retail

- Both gross profit and net business profit increased due to higher income on deposit from rising interest rates, along with strong performance in asset management business and payment business.
- Overhead ratio improved by the steady implementation of cost control initiatives along with an increase in gross profit.

(JPY bn)	1-3Q FY3/25	YoY*1
Gross profit	1,012.9	+92.3
Income on loans and deposits*2	103.5	+21.4
Wealth management business	249.2	+29.0
Payment business	408.7	+27.0
Consumer finance business	227.4	+11.3
Expenses	810.7	+40.6
Overhead Ratio	80.0%	(3.6)%
Net business profit	205.5	+50.8

	FY3/24	1-3Q FY3/25	KPI
AM / foreign currency balances (JPY tn)	17.2	19.4	18
Consumer finance outstanding (JPY tn)	2.6	2.7	3
# of Olive accounts	Nov.24 : 3.5 mn		

Wholesale

- Income on loans and deposits increased significantly due to increased loan volume and improved loan-to-deposit spread. Fee-income related to finance has also been strong.
- Securities business also showed good performance due to increased corporate actions, leading to growth in both gross profit and net business profit.

(JPY bn)	1-3Q FY3/25	YoY*1
Gross profit	671.7	+84.1
Income on loans and deposits	304.3	+52.6
FX and money transfer fees	104.8	+3.7
SMBC Loan syndication	38.9	+6.5
Structured finance	31.8	+5.9
Real estate finance	11.9	+1.1
Securities business	64.5	+15.4
Expenses	244.0	+14.0
Overhead Ratio	36.3%	(2.8)%
Net business profit	520.0	+78.1

	FY3/24	1-3Q FY3/25	KPI*3
Investment and financing for startups (total / JPY bn)	79.2	161.8	135

*1 Managerial accounting basis (after adjustments of the changes in exchange rates)

*2 Excl. consumer finance

Results by Business Unit (2)

Global

- Gross profit increased driven by income on loans and deposits as well as loan-related fees, while trend of rising expenses continues, primarily due to inflation.
- Net business profit decreased due to the absence of insurance settlement at SMBCAC (JPY 40 bn in FY3/24^{*2}).

(JPY bn)	1-3Q FY3/25	YoY ^{*1}
Gross profit	1,075.7	+54.7
Income on loans and deposits	532.8	+22.5
Loan related fees	219.2	+23.4
Securities business	63.2	+0.5
Expenses	690.6	+76.8
Overhead Ratio	64.2%	+4.1%
Equity in gains(losses) of affiliates	60.4	(26.2)
Net business profit	468.6	(42.6)

	FY3/24	1-3Q FY3/25	KPI ^{*2}
Net business profit of the Americas Division (USD mn)	1,583	1,181	+500

Global market

- Banking profit increased steadily by the nimble portfolio management.
- Sales and trading business also show good performance by capturing clients' flow, resulting increases in both gross profit and net business profit.

(JPY bn)	1-3Q FY3/25	YoY ^{*1}
Gross profit	535.8	+114.6
SMBC	351.8	+89.6
SMBC Nikko	118.1	+4.4
Expenses	148.4	+13.6
Overhead Ratio	27.7%	(4.3)%
Net business profit	413.3	+103.0

	FY3/24	1-3Q FY3/25	KPI
Net business profits from overseas securities (JPY bn)	36.2	19.0	49

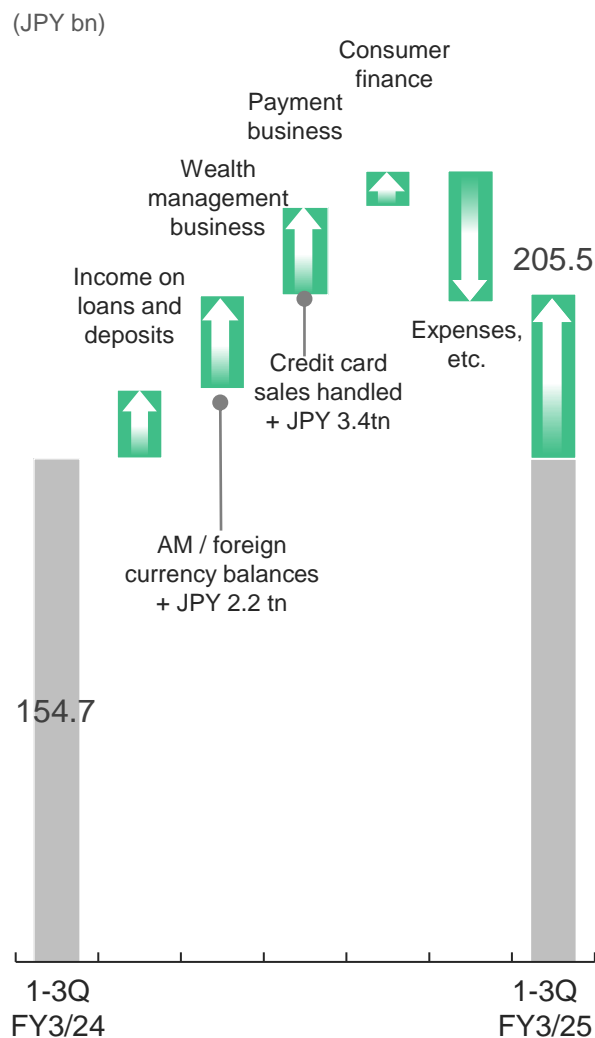
*1 Managerial accounting basis (after adjustments of the changes in exchange rates)

*2 Record JPY 40 bn to GB, excluding FX impact from JPY 45 bn in financial accounting.

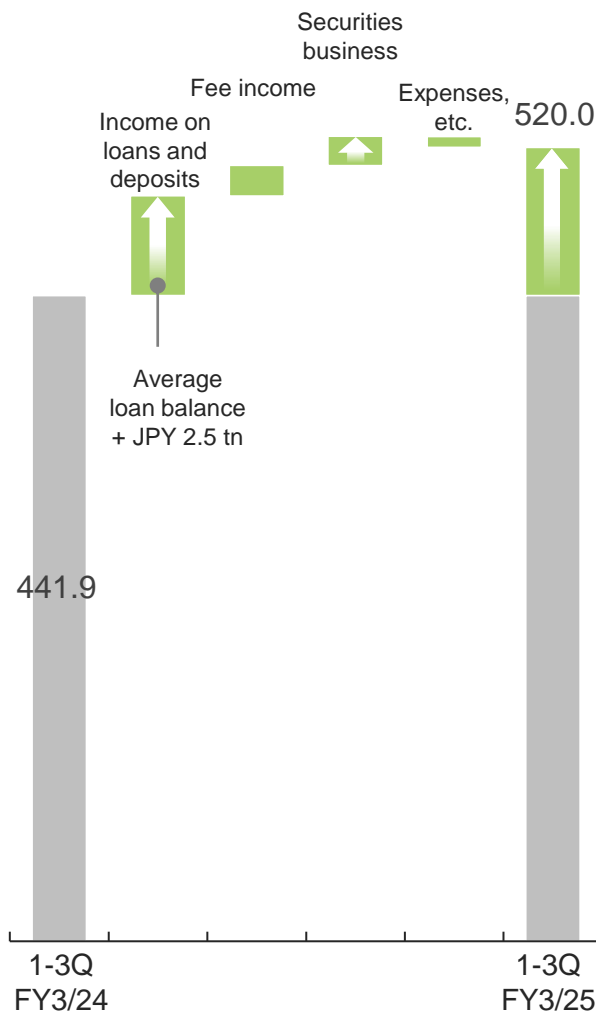
Results by Business Unit (3)*1

Plan for
Fulfilled Growth

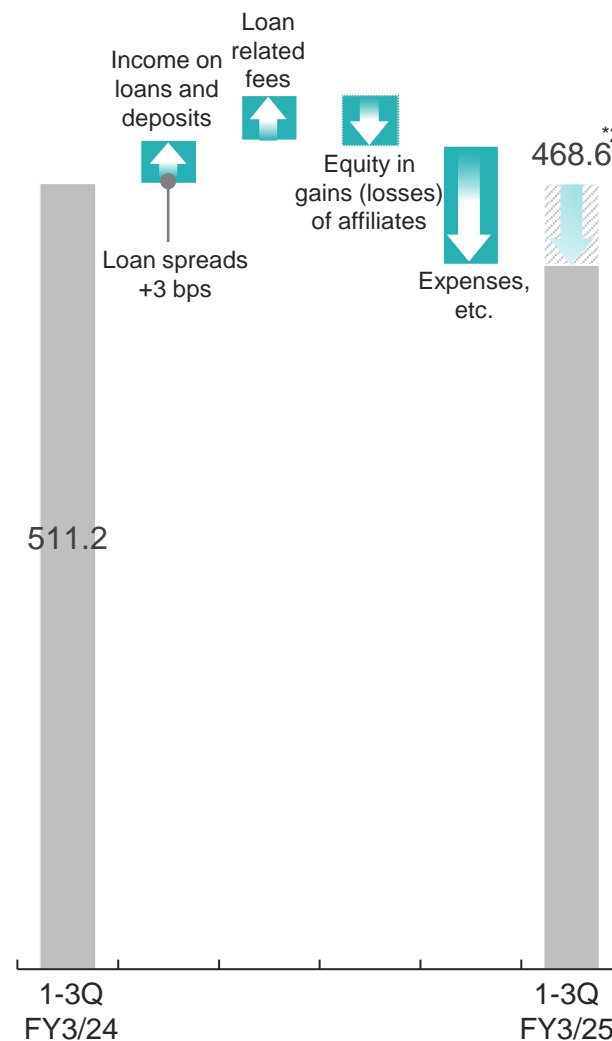
Retail



Wholesale



Global



*1 Managerial accounting basis (after adjustments of the changes in exchange rates)

*2 Net business profit decreased due to the absence of insurance settlement at SMBCAC

Progress of the Medium-Term Management Plan

Plan for
Fulfilled Growth

	ROCE ^{1,2}			Net Business Profit (JPY bn) ²			RWA (JPY tn) ²		
	1H FY3/25	YoY	FY3/26 Target ³	1H FY3/25	YoY	FY3/26 Target ³	1H FY3/25	vs. Mar.23	Mar.26 Target ³
Retail	6.1% ⁴	+1.8%	8%	128.8	+27.5	245	12.9	+1.1	+0.2
Wholesale	23.5%	+9.8%	10%	338.2	+38.6	570	34.7	+0.2	+1.5
Global	6.6%	(0.4)%	8%	262.3	+11.5	585	48.9	+1.1	+3.9
Global Markets	25.4%	+3.4%	15%	285.5	+57.0	340	7.0	+1.5	+1.4

*1 Incl. impact from the interest-rate risk associated to the banking account for GM

*2 Managerial accounting basis (after adjustments of the changes in exchange rates)

*3 Marginal account basis of FY3/24 *4 Excl. the radical allowance on interest repayment



Enhance Corporate Value



Market-Engaged Management

**Raised the medium-to long-term ROE targets
and set more ambitious financial forecast**

ROE-Focused Operations

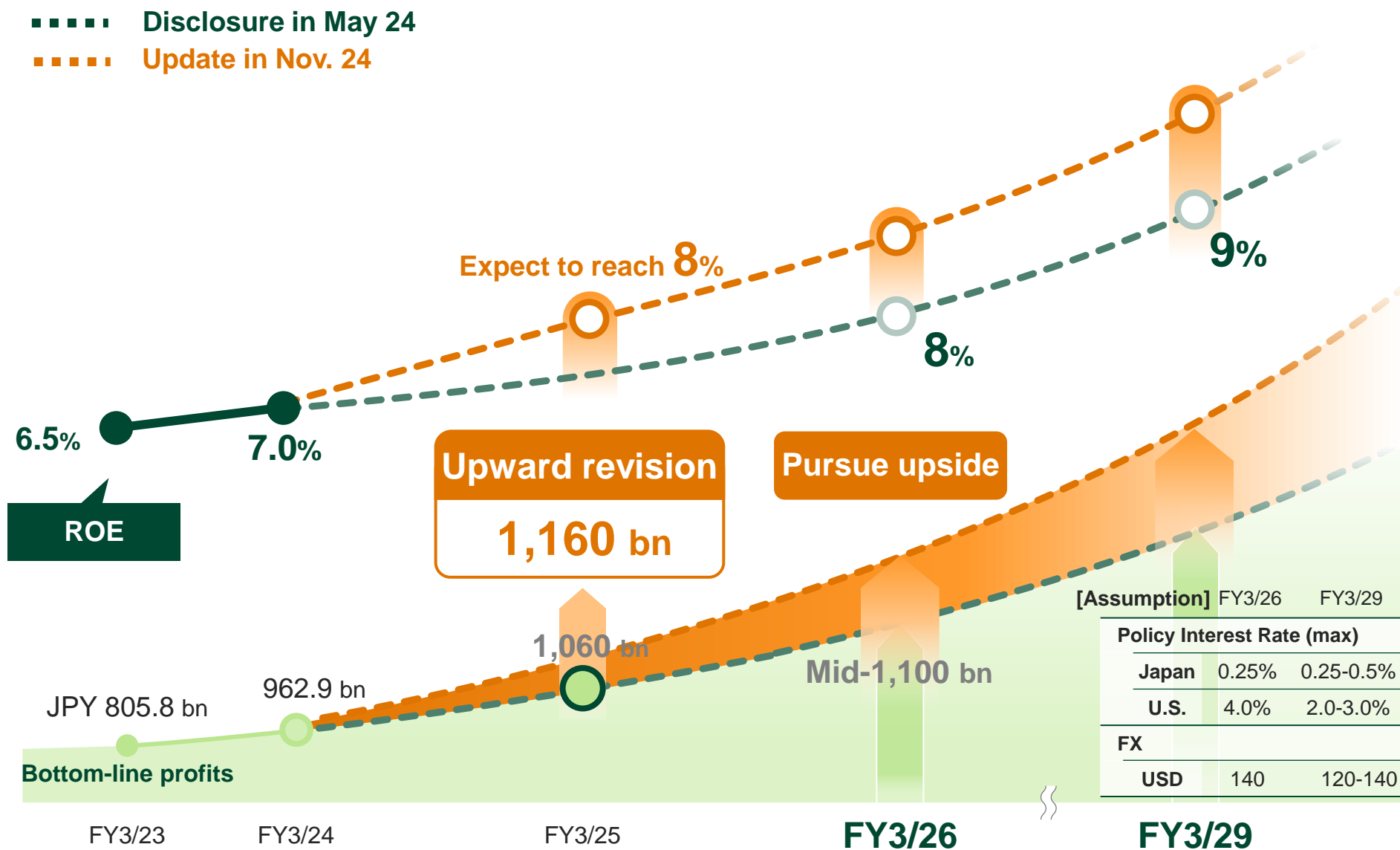
**Emphasize capital efficiency to employees; accelerate
reallocation of business portfolio and
reduction of equity holdings**

Creating Future Growth

**Support Japan' regrowth through sound risk-taking
and enhance Olive platform by collaboration**

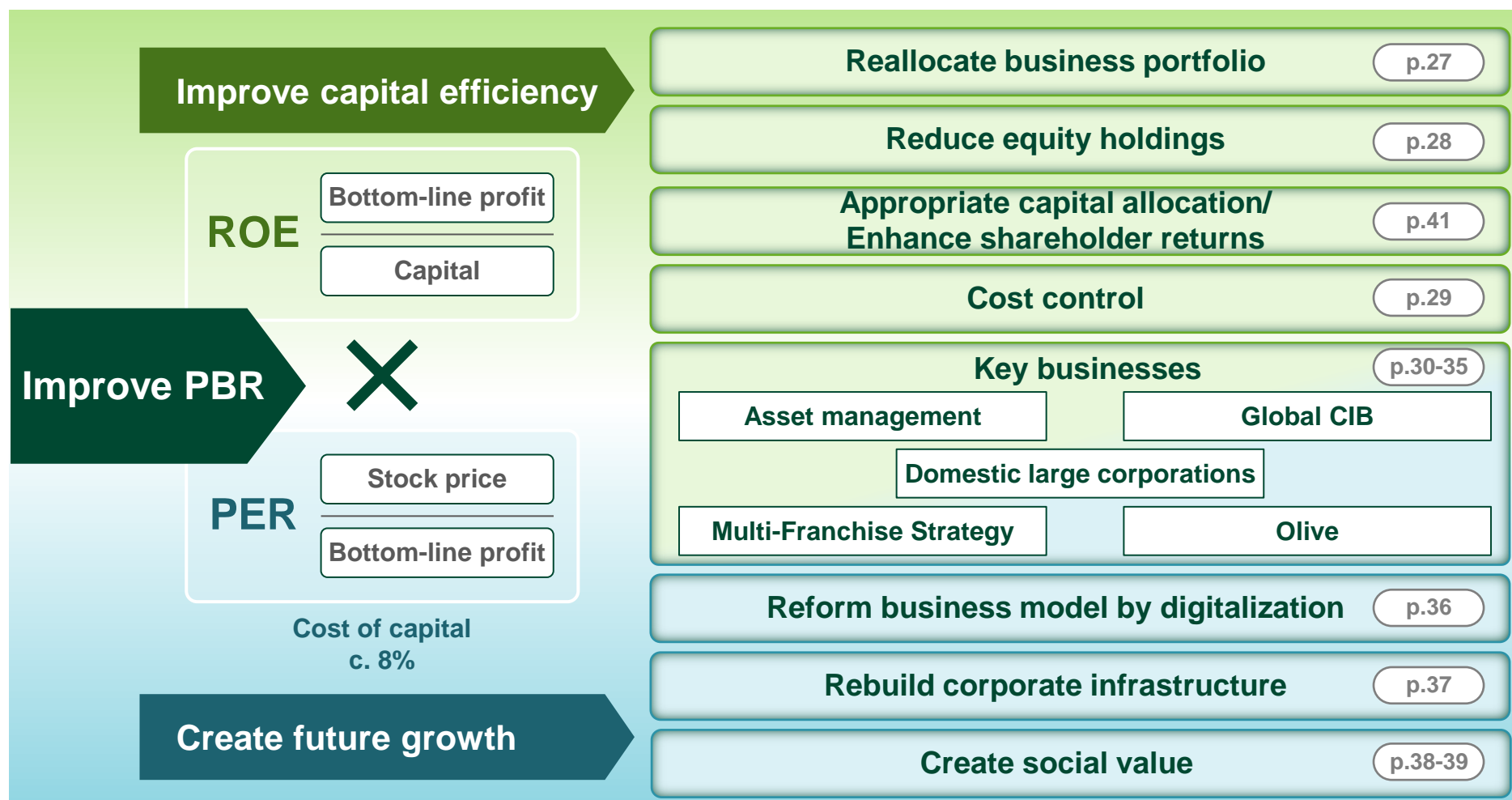
The medium-term financial goal

Plan for
Fulfilled Growth



Initiatives to enhance corporate value

Enhance corporate value by improving capital efficiency and raising expected growth rate.

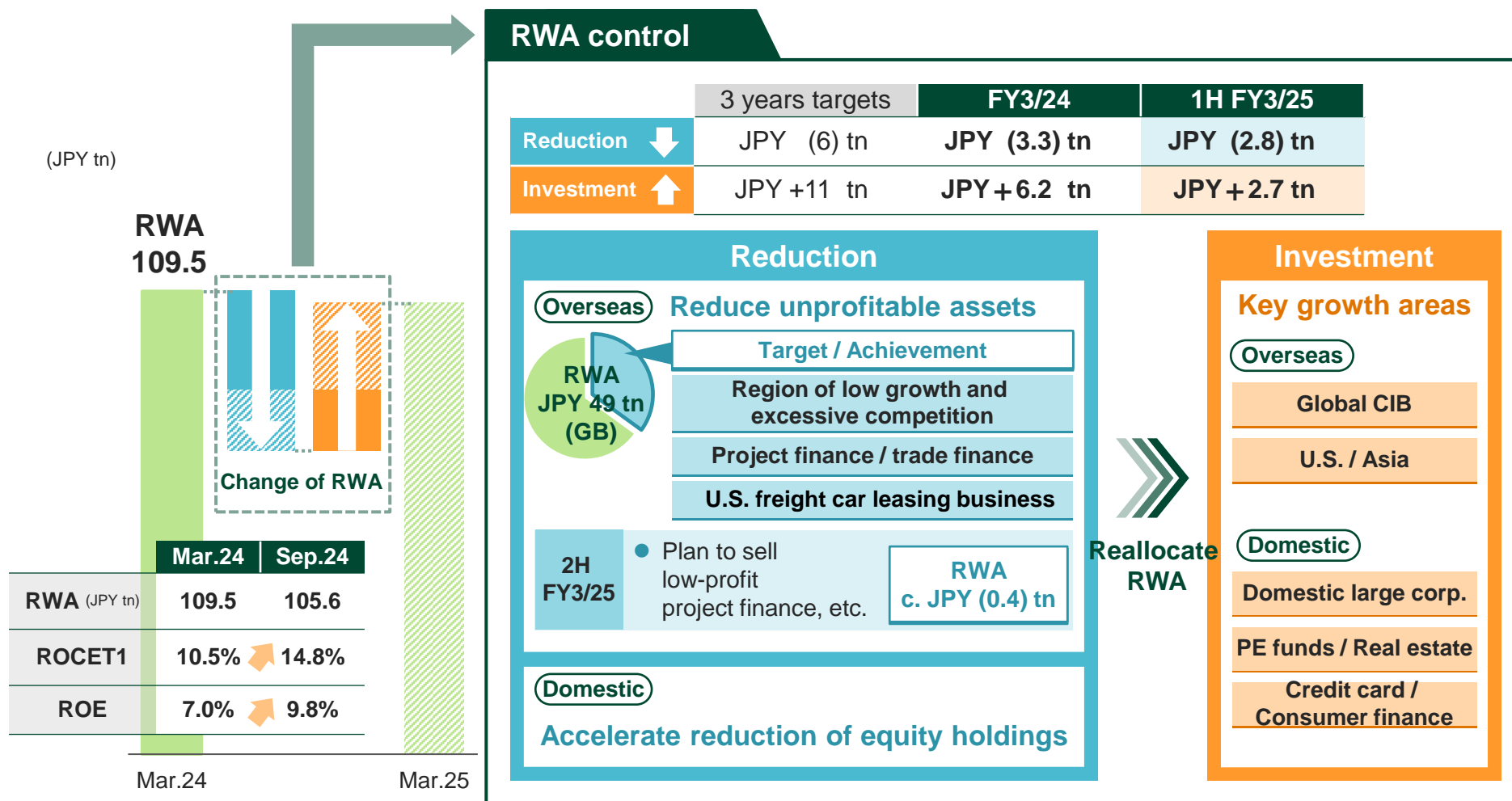


Reallocate business portfolio

Plan for
Fulfilled Growth

Continue to improve capital efficiency with a focus on RWA control.

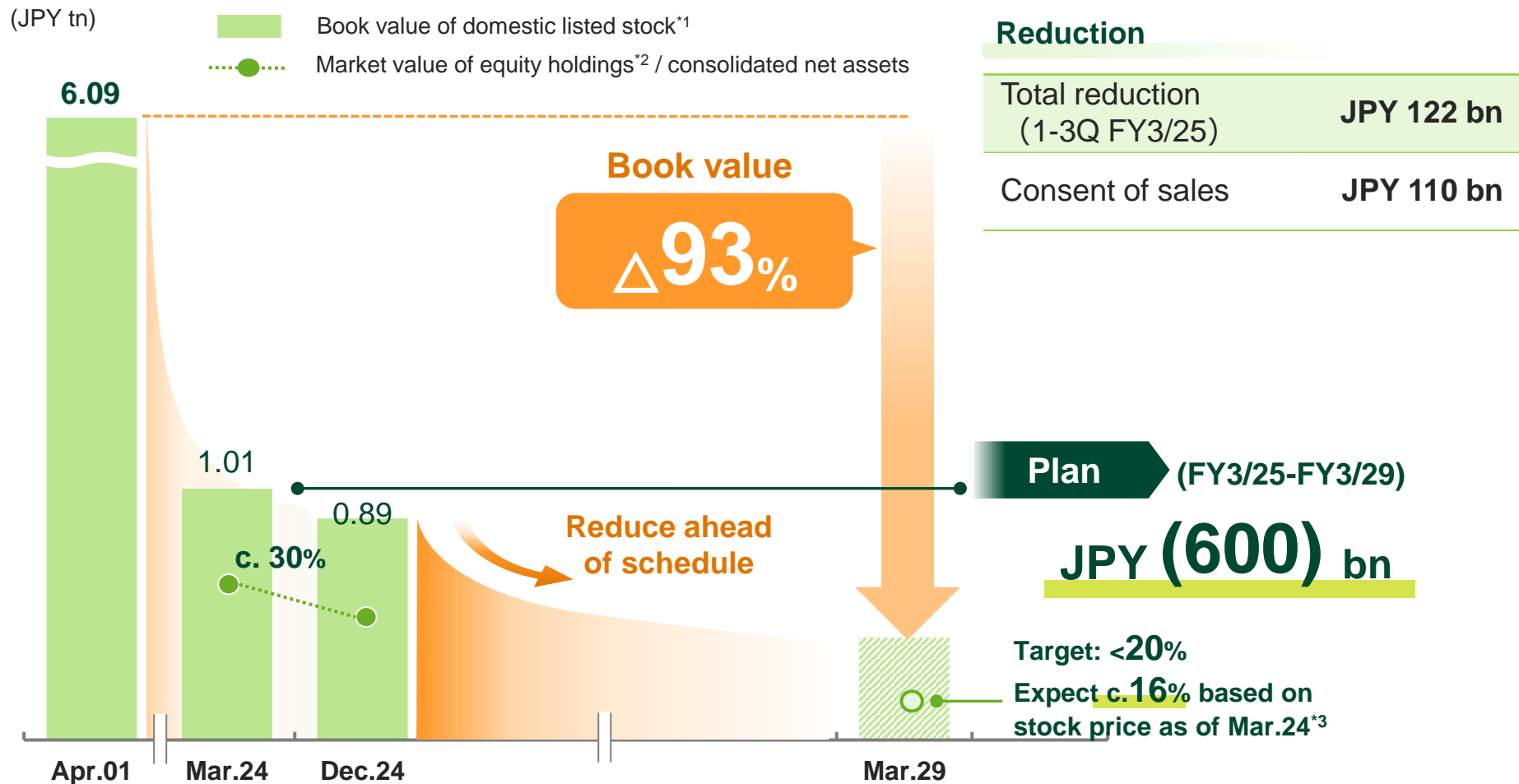
Plan to sell unprofitable assets in 2H to further improve ROE by shifting to key growth areas.



Reduction of equity holdings

Reduced JPY 122 bn in 1-3Q FY3/25.

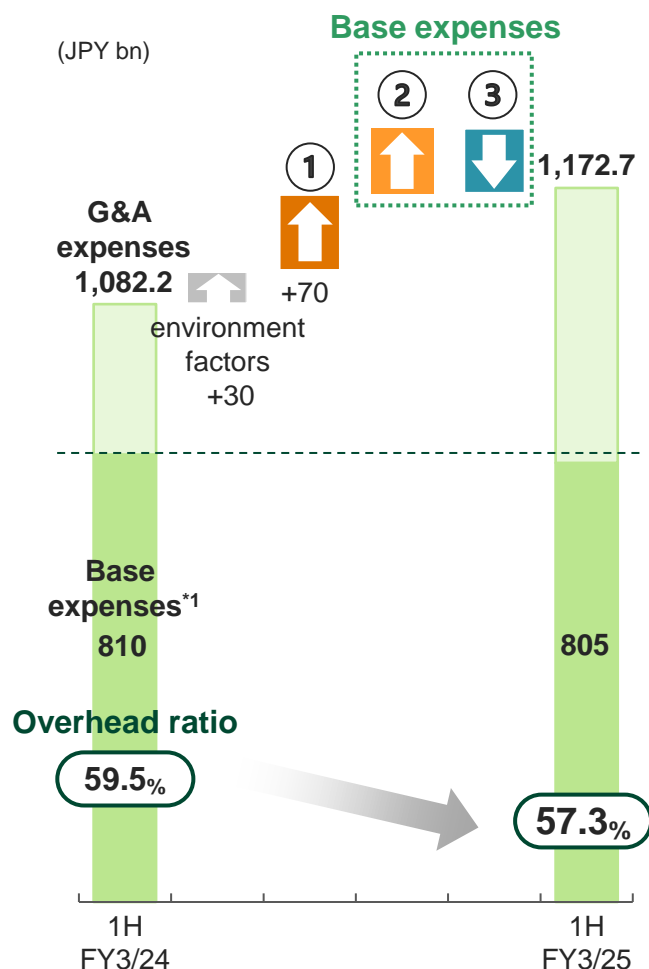
Progressing at higher pace compared to the reduction plan of JPY 600 bn in five years.



*1 Excl. investments after Mar.20 for the business alliance purpose *2 Incl. balance of deemed held shares

*3 Nikkei Index of JPY 40,369 as of Mar.24

Overhead ratio improved through base expense control and top-line growth.
Continue cost control initiatives to realize strategic investment for future growth.

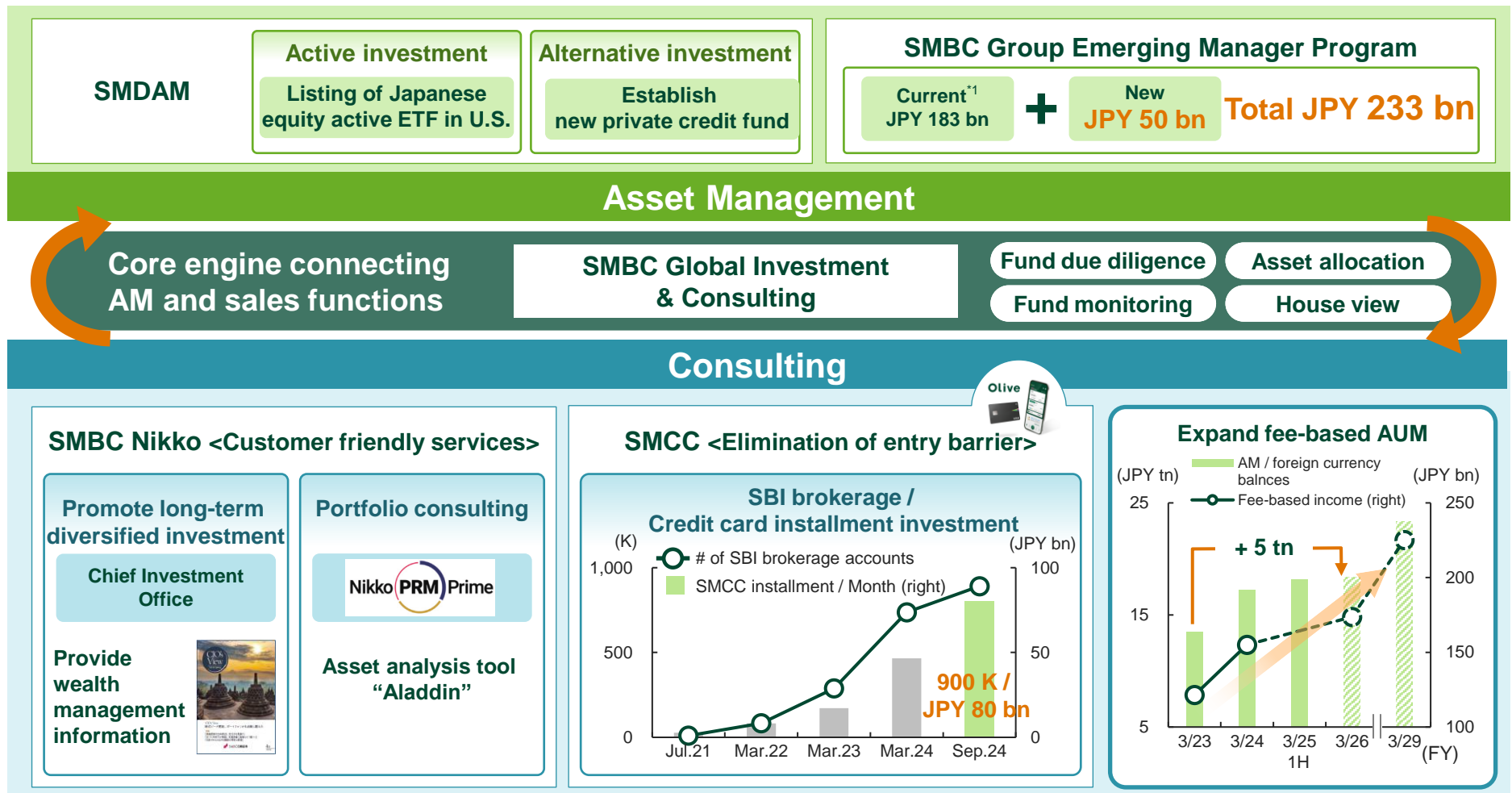


① Investment for top-line growth	SMCC commission fee +14%	# of Olive accounts 3.3mn
② Base expenses ↑		by 1H FY3/25 3 years target
	Base expenses	+ 85 bn + 160 bn
	Workload	+4,570 people +3,000 people
	HR cost in overseas businesses	+ 60 bn
③ Base expenses ↓	IT investment ahead of schedule	+ 25 bn
		by 1H FY3/25 3 years target
		(60) bn (160) bn
		(4,090) people (7,000) people
	Reform of domestic business e.g. 250 STOREs (60 completed by Sep.24) Digitalize wholesale businesses	(17) bn (60) bn
	Group functions	(23) bn (45) bn
	Overseas operations	(15) bn (25) bn
	Enhance existing / additional initiatives	(5) bn (30) bn

*1 G&A expenses excl. cost related to investment for future growth, revenue-linked variable cost, impact from market conditions, and others

Strengthen asset management business

Provide diverse solutions through covering entire value chain from asset management to consulting.
Accelerate fee- based AUM growth by supporting shift from savings to investment.



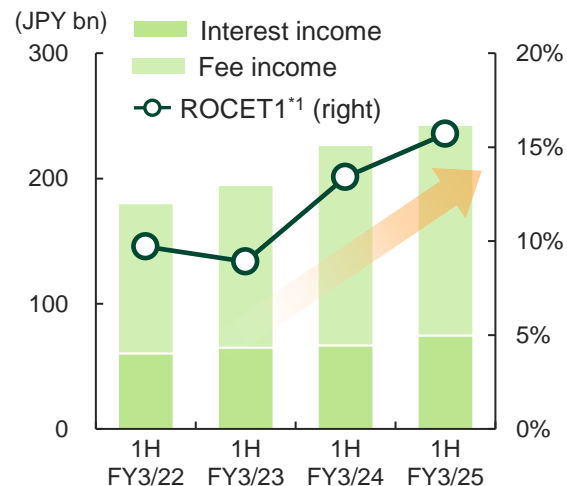
*1 Investments in funds managed by start-up managers and investments in product development of group asset management company, etc.

Sophisticate domestic large corporate business

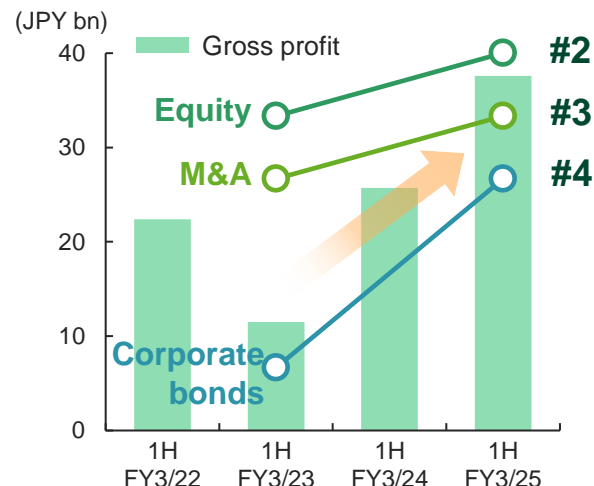
Proactive support for corporate activities has led to growth in gross profit and profitability.

Continuous resource allocation and group wide collaboration to further enhance large corporate business.

SMBC
Gross profit / ROCET1 (large corporation)



SMBC Nikko
Gross profit*2 / league table*3



Successful example

**Support large-scale funding
> JPY 200 bn**

SMBC Nikko

- Proposed funding through asset securitization by capturing changes in business environment
- Appointed as a solo arranger, recognized for proposals that considered needs of global investors

SMBC

- Stimulated investor demand by combining currency hedging



Capture corporate activities



Bank-Securities / global collaboration



*1 Managerial accounting basis, excl. equity holdings *2 Domestic gross profit of Wholesale Business Unit

*3 Equity: underwriting amount as lead manager, M&A: # of Japanese corporate deals > JPY 10 bn, corporate bonds; amount of lead manager deals (excl. self-led deals)

Enhance Global CIB through collaboration with Jefferies

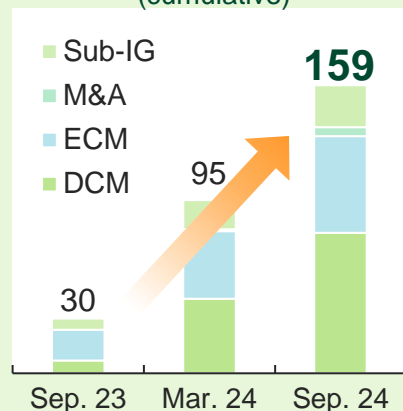
Plan for
Fulfilled Growth

Investment in Jefferies was completed as planned in Sep. 2024. (economic stake: 14.5%)

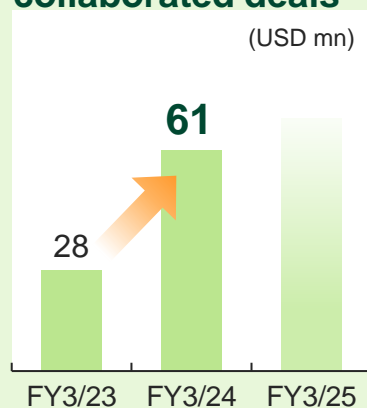
Aim to further enhance collaboration by expanding the scope.

Collaborated deals are steadily increasing

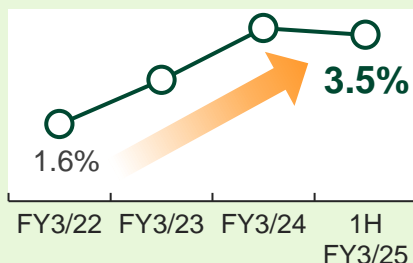
of collaborated deals
(cumulative)



Profit from
collaborated deals
(USD mn)



U.S. IG bond underwriting share



Example of Collaborated deals

November 2024

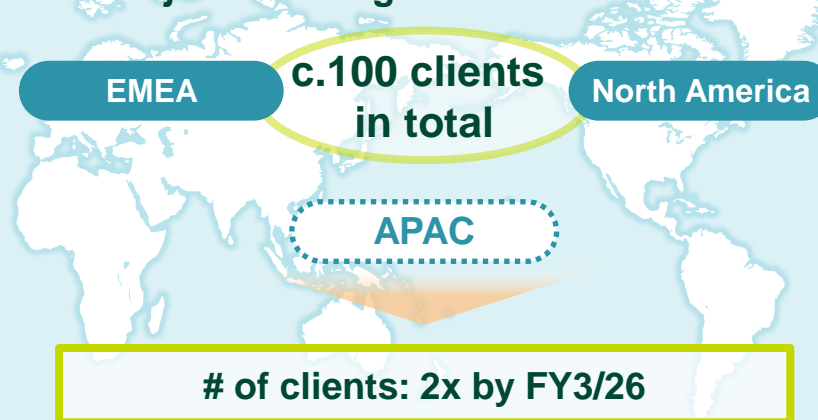


Joint Sell-side
Financial Advisor

- SMBC Nikko and Jefferies advised Alliance, one of the largest multifamily and senior housing developers in the U.S., on its sale of a minority interest to Daiwa House, the largest homebuilder in Japan
- SMBC and Jefferies were jointly mandated as sell-side FA, evaluated for our industry expertise, cross-border reach, and execution capability

Expand the scope of collaboration

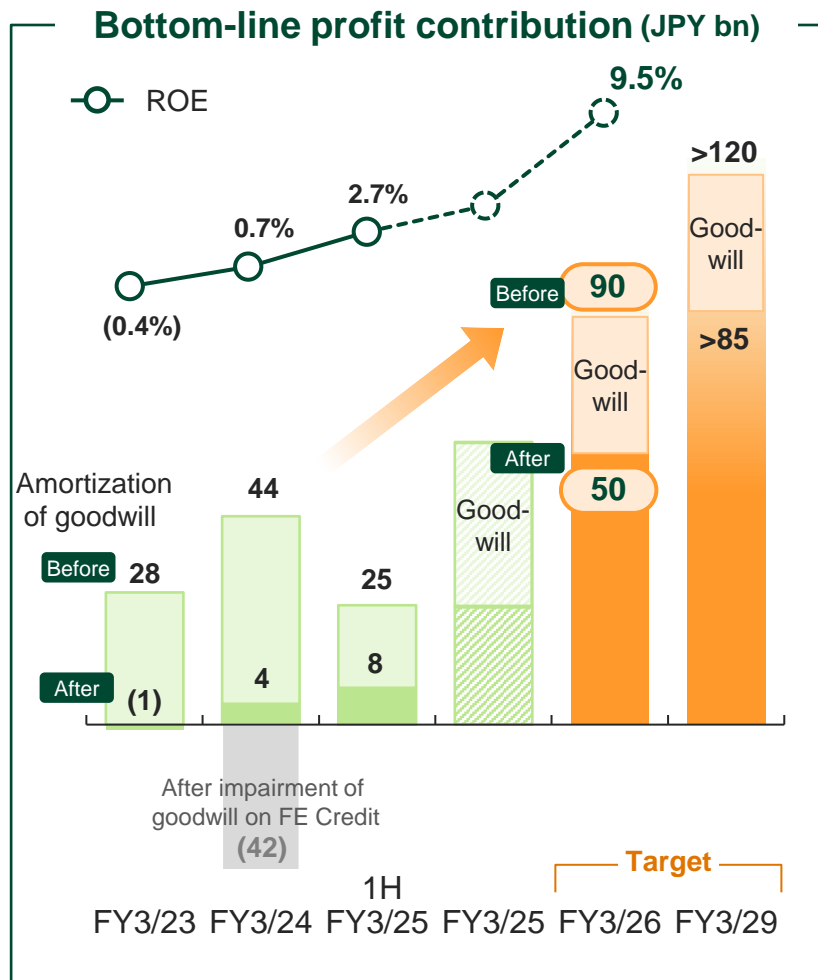
of joint coverage clients with Jefferies



Realize growth through Multi-Franchise Strategy

Business in Vietnam has finally bottomed out with the recovery of its economy.

Aim to achieve target of FY3/26 and FY3/29 by supporting the growth strategies of each investee.



India Aim for balance increase >+30% in FY3/25 by allocating necessary resources

SMICC	P.34, 54	Ownership ratio 100%
--------------	----------	-------------------------

Indonesia Enhance SME and retail loans, while focusing on capturing commercial flows and deposits

SMBCI*1	P.53	91%
----------------	------	-----

Vietnam Business performance has bottomed out with recovery of local economy

FE Credit

- Aim to achieve a full-year profit by controlling credit cost

VPBank

- Improve profitability by collection and acquisition of good customers, while credit cost increased due to early amortization

FE Credit	P.55	49%
VPBank	P.55	15%

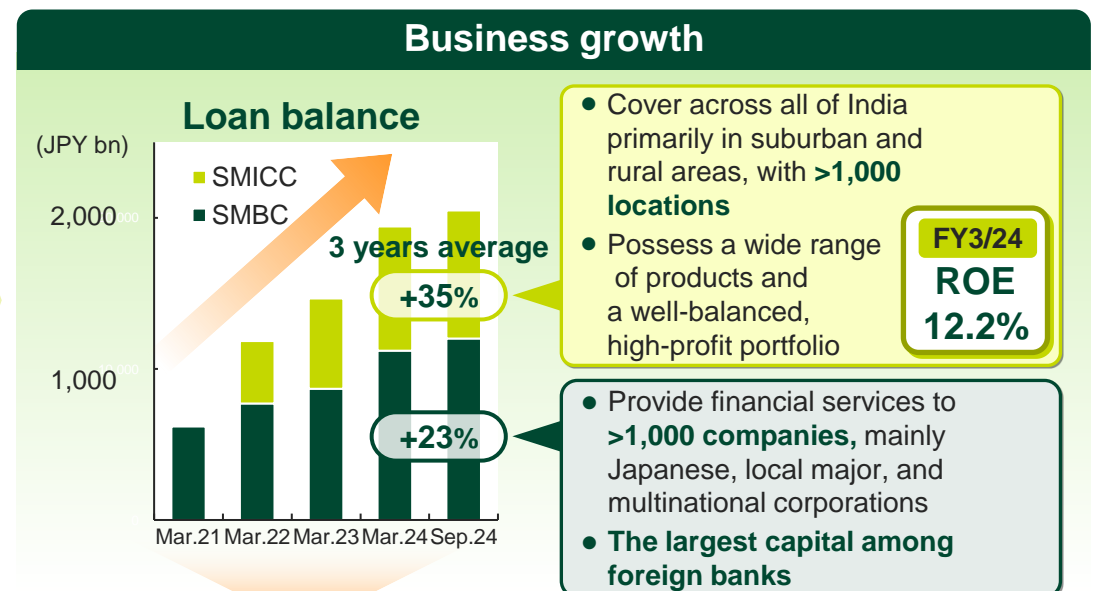
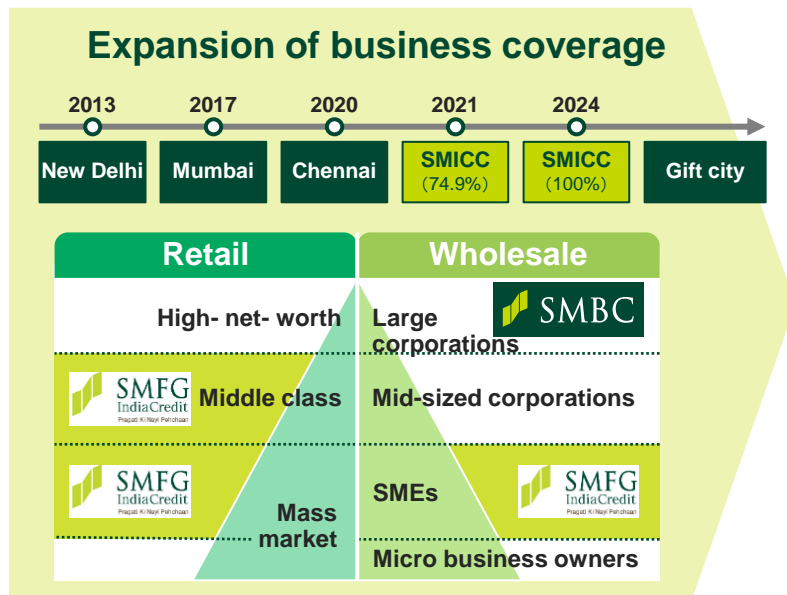
Philippines Improve portfolio profitability by increasing high-profit loans

RCBC	P.56	20%
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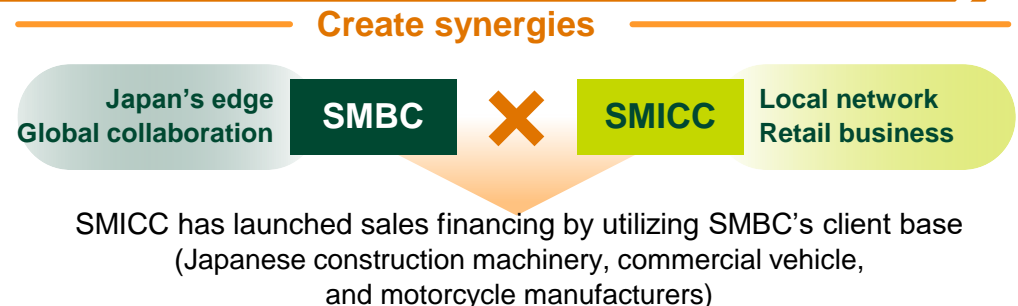
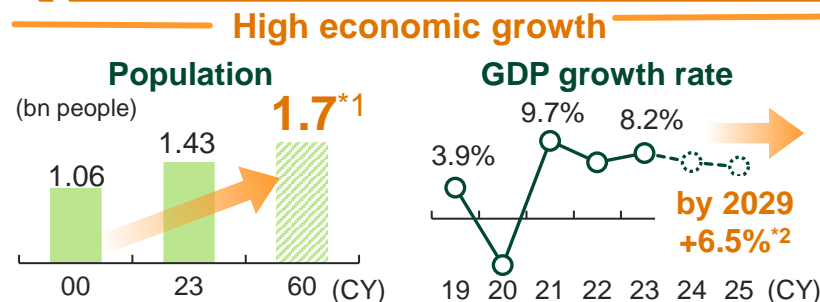
*1 BTPN changed its name to SMBC Indonesia (SMBCI) on October 2.

Realize growth through Multi-Franchise Strategy – India –

India has the highest growth potential among target countries of Multi-Franchise Strategy.
Allocate necessary resources to drive further growth and establish a strong platform.



Further expand business

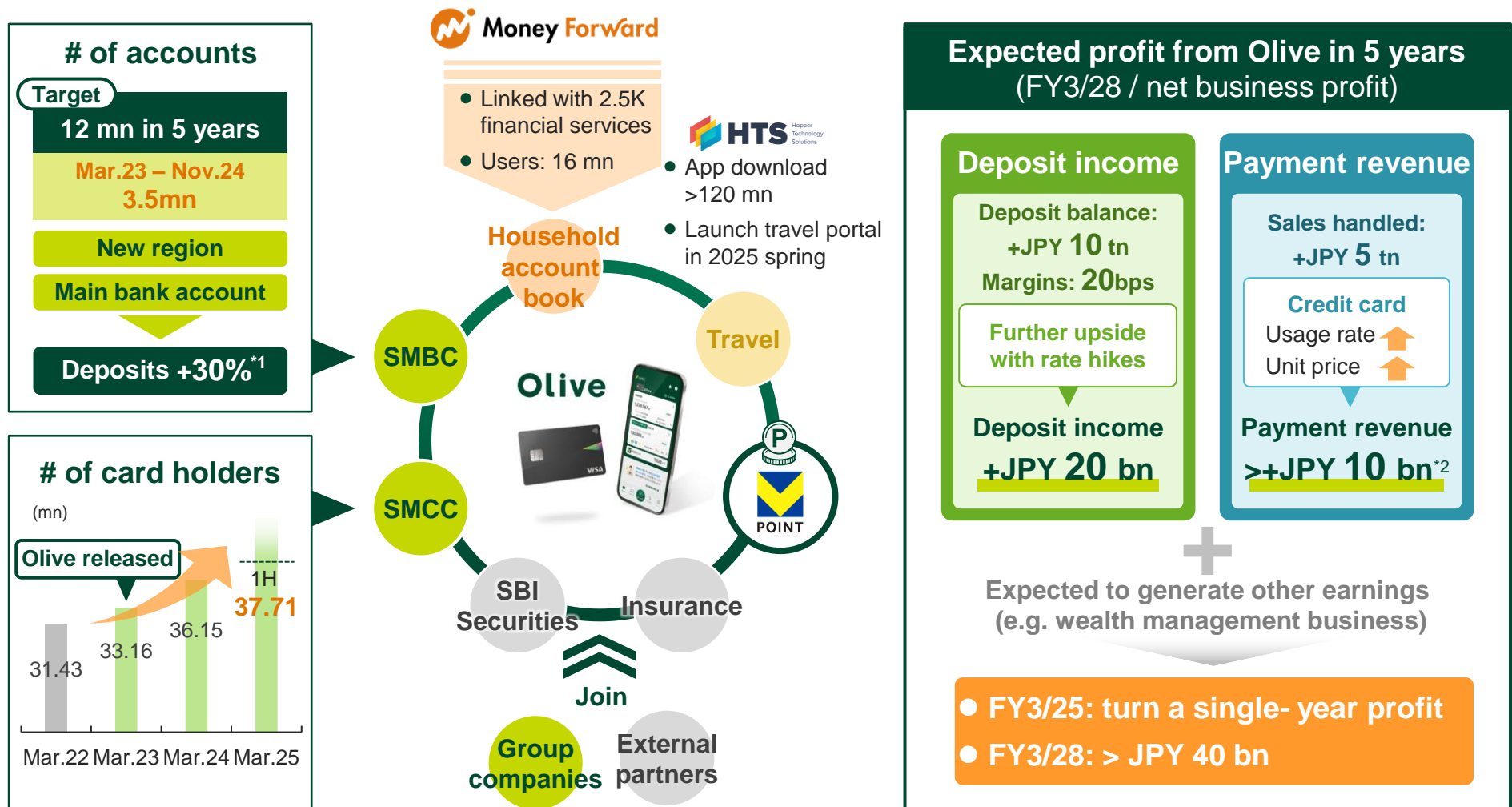


*1 Source: United Nations "World Population prospects 2024"

*2 Source: IMF "World Economic Outlook Database"

Build digital-based retail business centered on Olive

Olive's customer base has been steadily expanding through collaboration with external partners.
Expect profit contribution over JPY 40 bn in FY3/28 with the tailwind of interest rate hikes.



*1 Comparison of the deposit balances at the end of following Sep. for new account holders before and after Olive release (Mar. 22 - Feb. 23, Mar. 23 - Feb. 24).

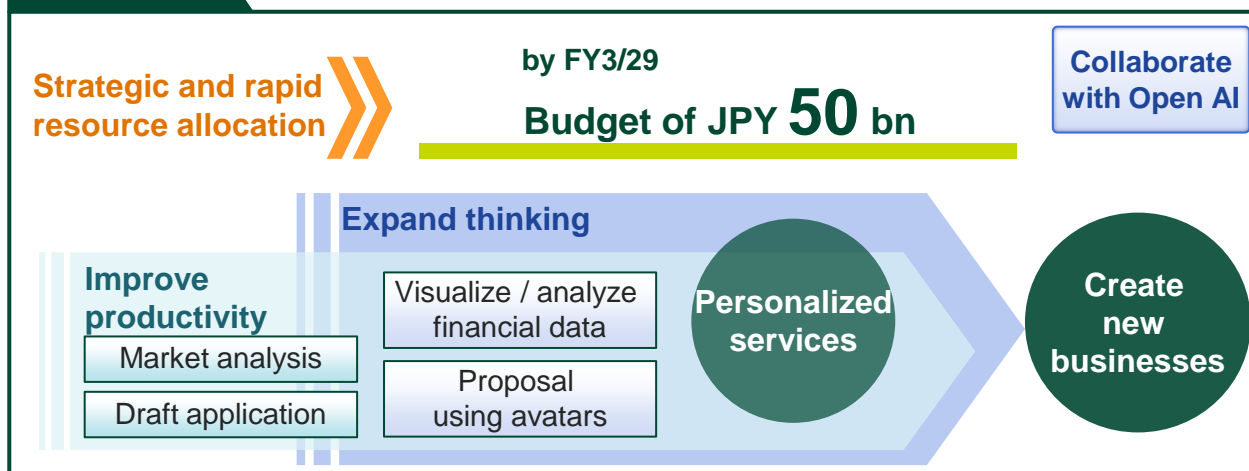
*2 After deduction of revenue-linked expenses

Reform business model by digitalization

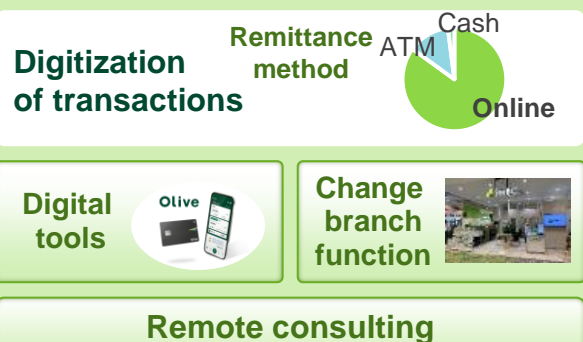
Continue IT investments for business model transformation that leads to future growth.

Secured an investment budget of JPY 50 bn to create new business by effectively utilizing generative AI.

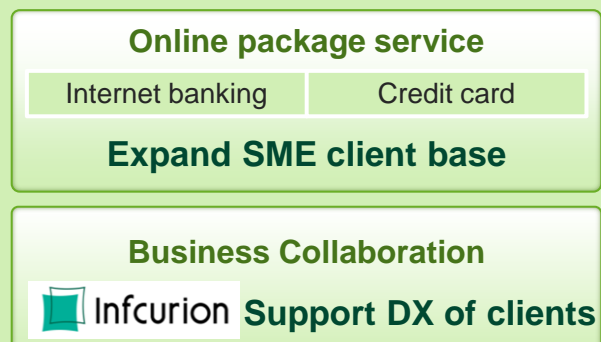
Generative AI



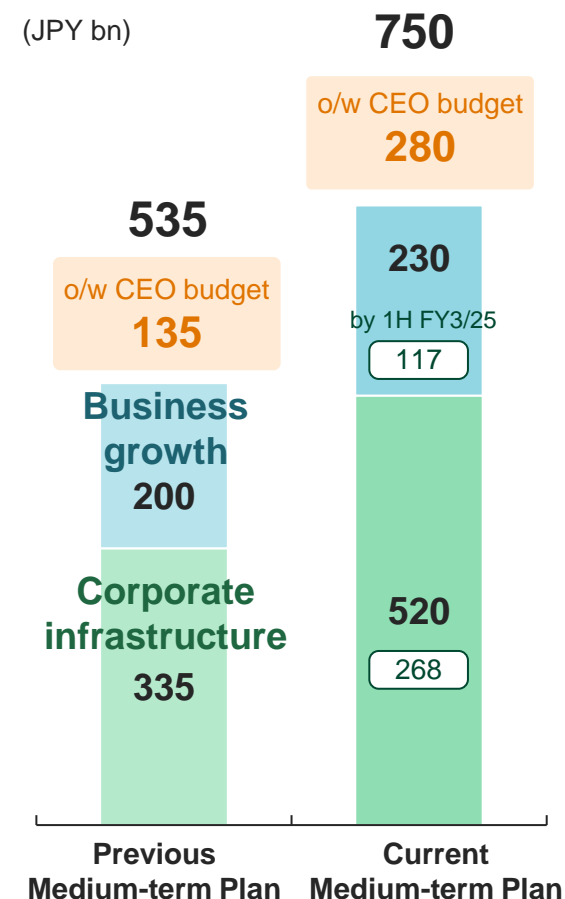
Retail



Wholesale



IT Investments



Rebuild corporate infrastructure - Integrity, Passion, Solidarity-

Plan for
Fulfilled Growth

Strengthen the management foundation that supports business growth: engage with stakeholders fairly and sincerely, embody integrity, and build a strong team through human capital management.

Governance and compliance

Integrity

Continuous commitment by top management

Group CEO



Group CCO



Foster a Culture of Compliance

Learn from incidents



Culture sessions



Compliance Awards

Evaluate and share employees' initiatives

Internal SNS

Check penetration through awareness surveys

Human capital management

Passion

Solidarity

SMBC Talent Policy

Realize the workplace and teams where diverse professional talents aim high and feel rewarding

SMBC

Revision of the personnel system (Jan.26)

Professionalism

Merit-based

Inclusion

Secure and include diverse talents

		Results	Target ^{*3}
Gender	Female directors	25.0%	30%
	Female managers	21.7%	25%
Foreign nationals	Female in management positions	25.8% ^{*1}	30%
	# of foreign directors	22 ^{*2}	25
Mid-Career	Mid-career recruitment	40.8% ^{*1}	30.7%
	Managers from mid-career recruitment	18.8% ^{*1}	18%

*1 As of Mar.24 *2 As of Jun.24 *3 FY3/26 (ratio of female directors in FY3/31)

Create social value

Proactively address a wide range of social issues from both financial and non-financial perspectives.
Pursue future growth businesses through appropriate risk-taking.

Create innovation

Support for Startups

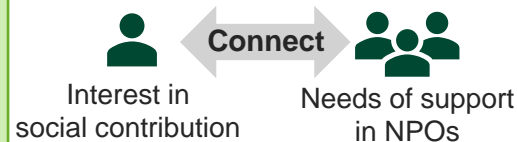
JPY 135 bn
of investment and financing
achieved in 1.5 years

Space business

Create new economic zone
Finance using space insurance
Participate in Deep Tech VC Fund

Allocate funds for solving issues

Philanthropy Advisory



India Social Loans

Empower women entrepreneurs



Collaborations

Industry-Academia

SMBC Kyoto University Studio
Partnership with University of Tsukuba

Neurodiversity Management Study Group



Create opportunities to play an active role in the advanced IT field

Investment in new energy and technologies

Hydrogen funds

Japan
Hydrogen Fund

Build supply chains through financial support

Europe Financing for hydrogen reduced iron



First in Japanese bank

Reduce most of CO2 emissions

Place for the children

Atelier Banrai -ITABASHI-

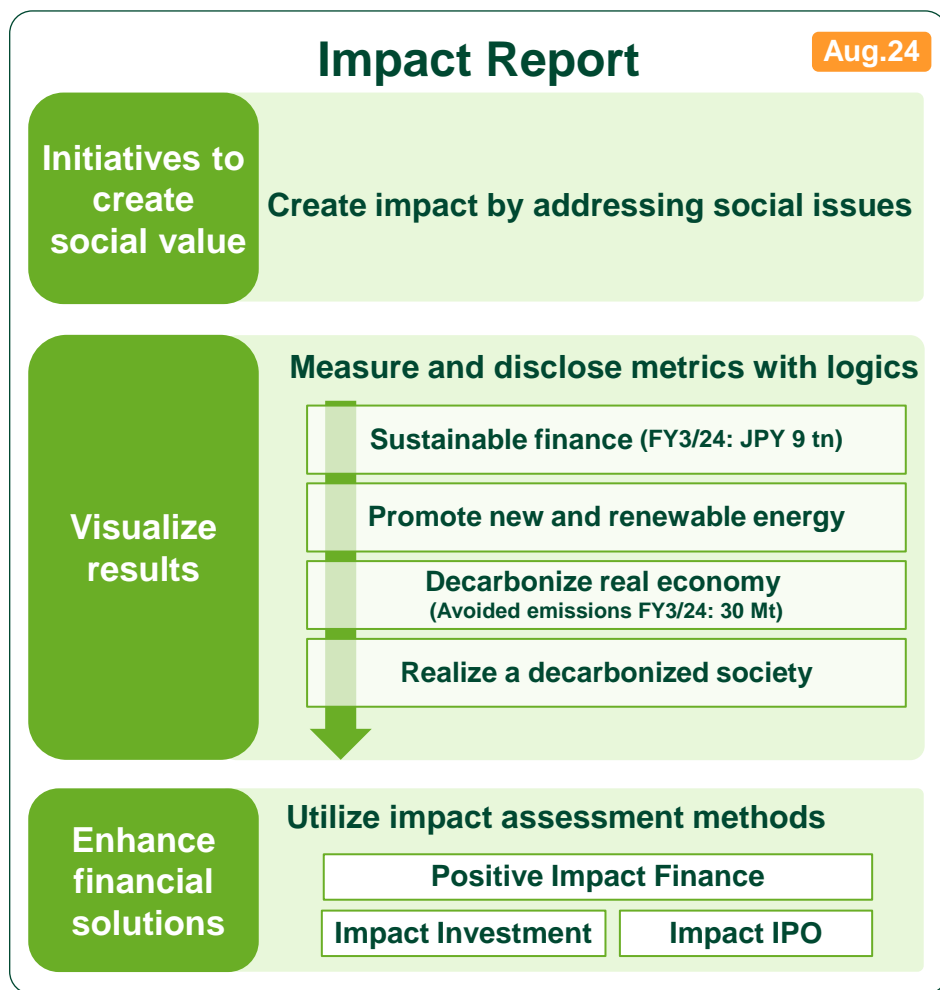


Use an idle SMBC's branch to support children's experiences


Host cafeterias for children
Provide various programs

(Ref.) Enhance non-financial disclosure

Published Impact Report to demonstrate efforts in creating social value (the first in Japanese bank)
Disclosed initiatives on climate change, natural capital, human rights, and human capital.



Sustainability Meeting



Outside directors discussed governance, corporate value, and social value

Annual Report



Sustainability Report Jul.24

Disclosed initiatives on climate change, natural capital, human rights, and human capital



<p>Strategy</p> <p>Initiatives to address social issues and efforts to create value through business and by maximizing human resources</p>	<p>Climate Change</p> <p>Contributing to the decarbonization of the real economy and achieving net-zero for SMBC Group</p> <p>Respect for Human Rights</p> <p>Creating a positive social impact through respect for human rights across the entire supply chain.</p>	<p>Natural Capital</p> <p>Accelerating efforts to achieve nature-positive outcomes as a pioneer in the financial industry</p> <p>Human Capital</p> <p>Building opportunities for each employee with diverse careers and values to thrive</p>
<p>Risk Management</p> <p>Recognition and incorporation of environmental and social risks within the company-wide risk management framework, and enhancement of risk analysis and management processes</p>		
<p>Governance</p> <p>Overall view of sustainability management in both supervisory and executive aspects, including executive compensation system and strengthening of capability building</p>		
<p>Metrics and Targets</p> <p>Performance indicators related to Strategy and Risk Management</p>		



Capital Policy

Shareholders return

Allocate the upward revision of JPY 100 bn toward enhancing shareholder returns: increase DPS to JPY 120 per share (dividend payout ratio of 40%) and resolved additional share buybacks of JPY 150 bn.

Enhance shareholder returns

Dividend

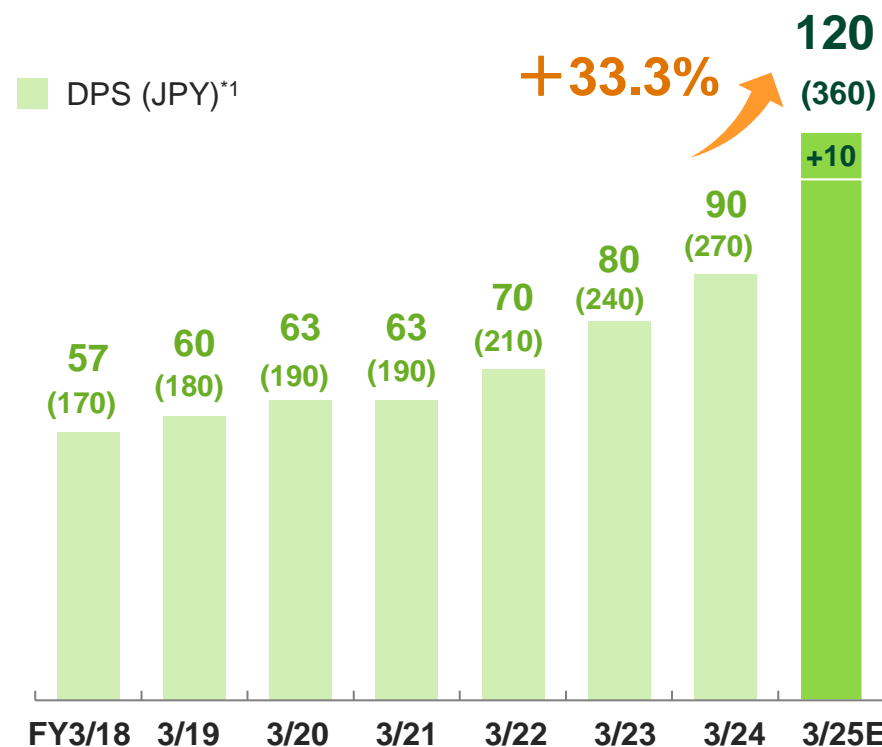
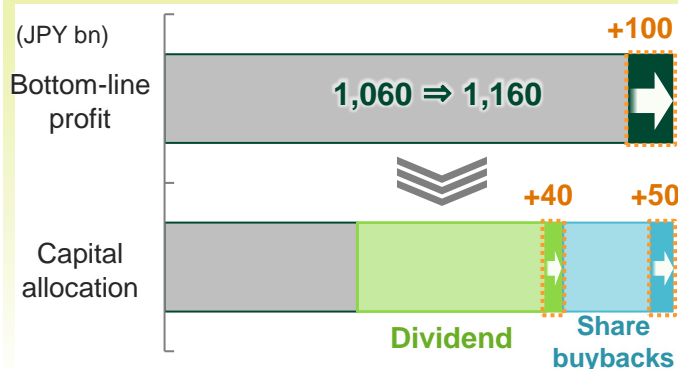
vs. initial : + JPY 40 bn

- JPY 120/share (+10 vs. initial forecast, dividend payout ratio of 40%)
- Highest increase of +30 YoY
Increase rate is +33.3% YoY

Share buybacks

vs. initial : + JPY 50 bn

- Resolved JPY 150 bn additionally based on upward revision and capital position (initially expected JPY 100 bn in both 1H and 2H)
- Record High: JPY 250 bn for the full year

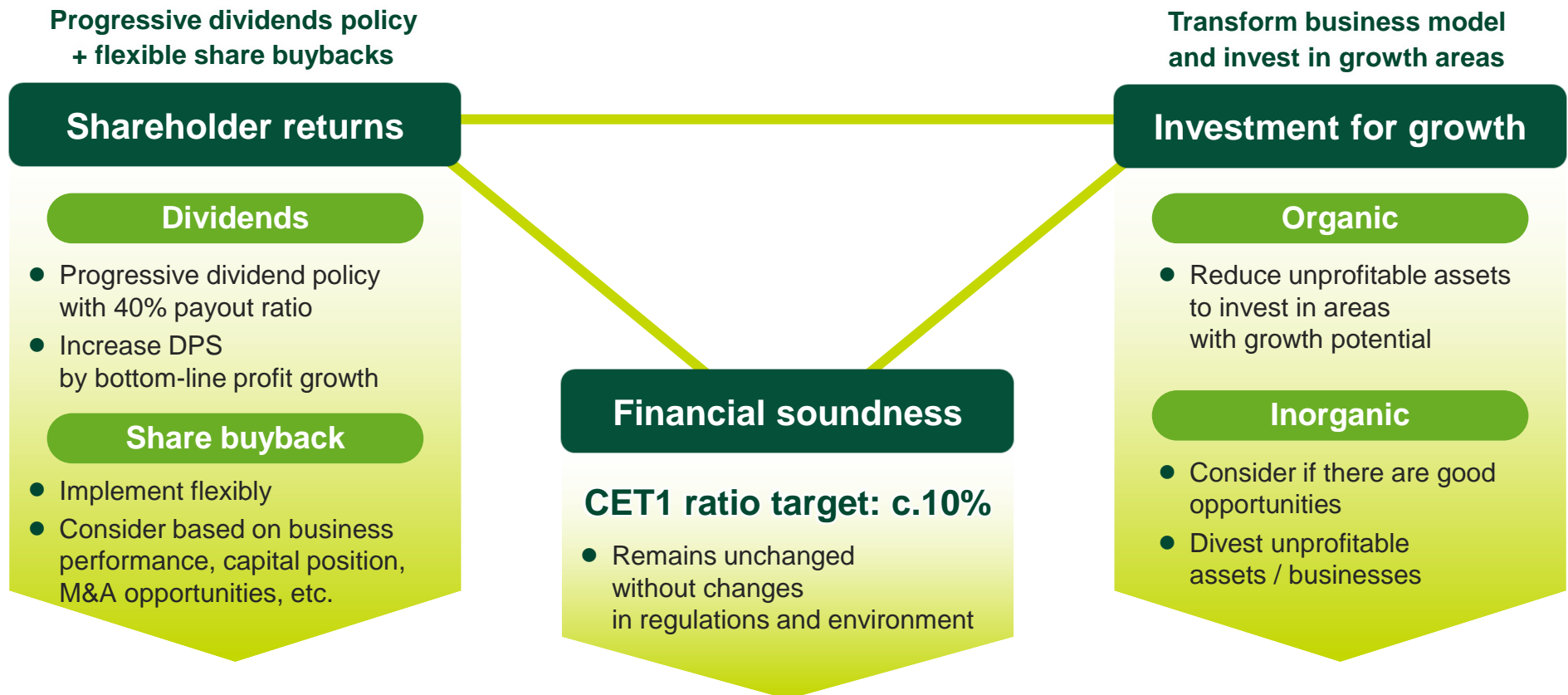


Share buybacks (JPY bn)	-	70	100	-	-	138.7	211.3	250
Ref. Total payout ratio (%)	33	44	51	51	41	58	59	62

*1 Amount adjusted retrospectively, based on the stock split (3-for-1) implemented on October 1, 2024 (rounded to the nearest whole number). The figures in parentheses indicate the DPS before split.

Basic capital policy

Achieving healthy balance among securing financial soundness, enhancing shareholder returns, and investing for growth.



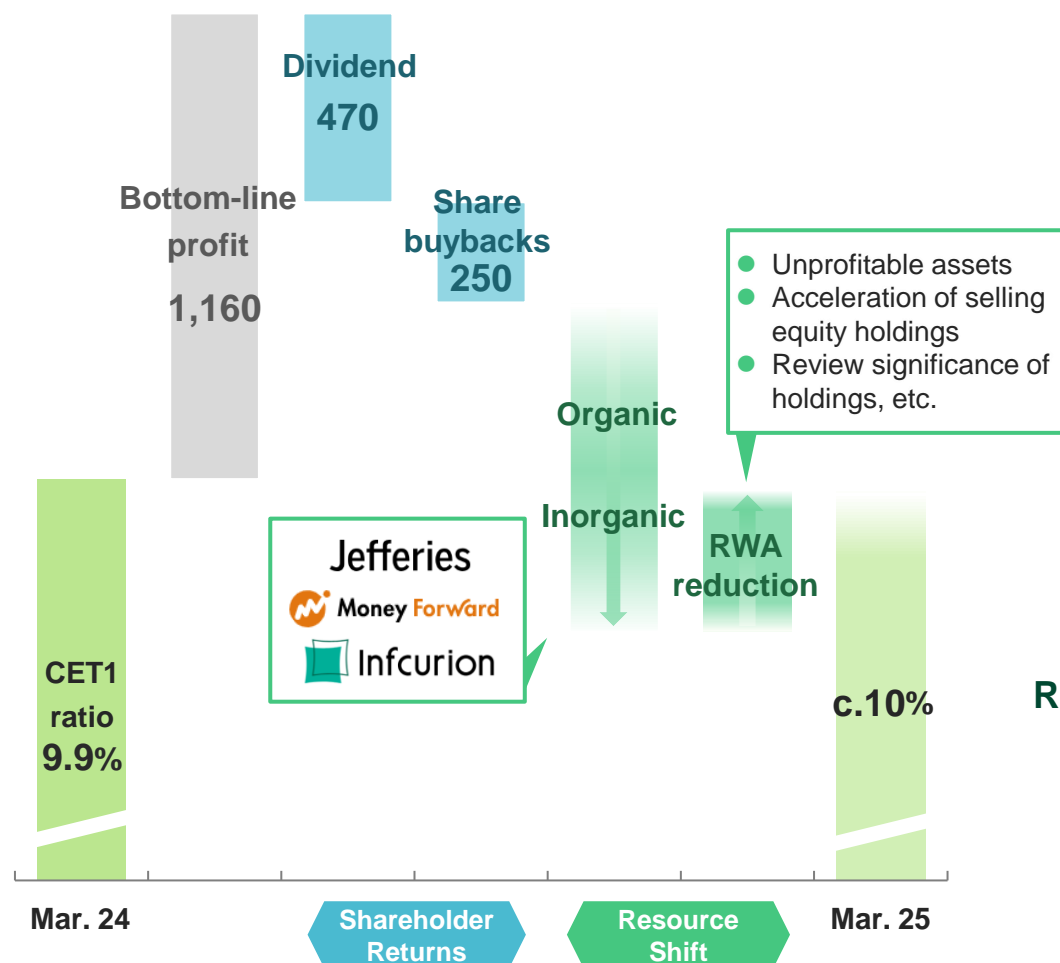
Growth with Quality

(Ref.) Capital Allocation

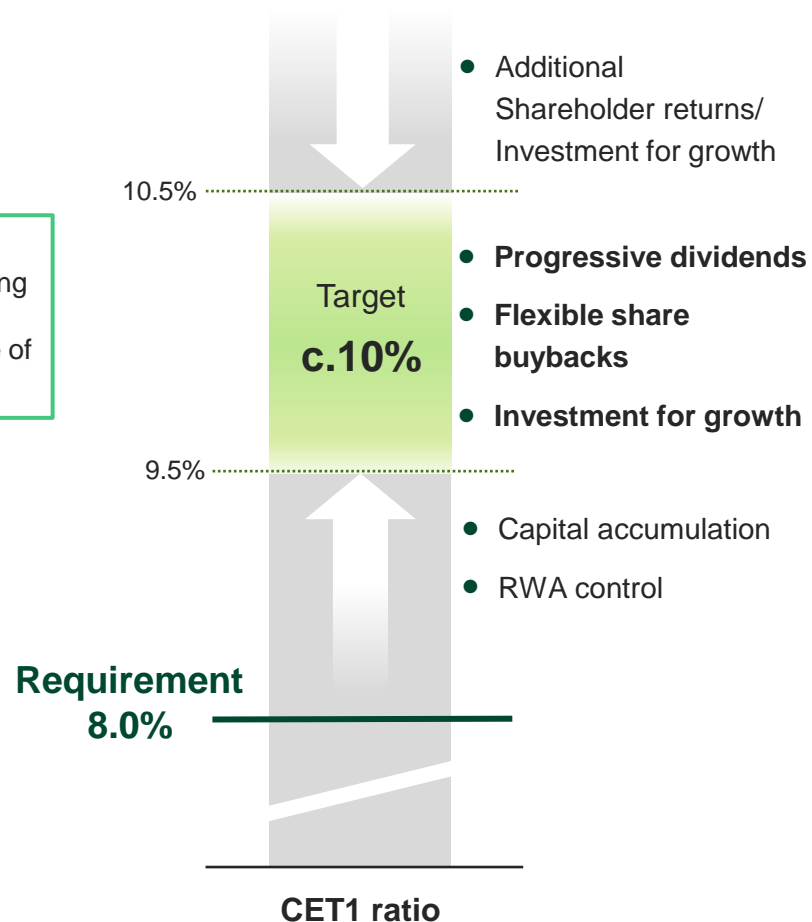
Plan for
Fulfilled Growth

FY3/25 outlook

(JPY bn)



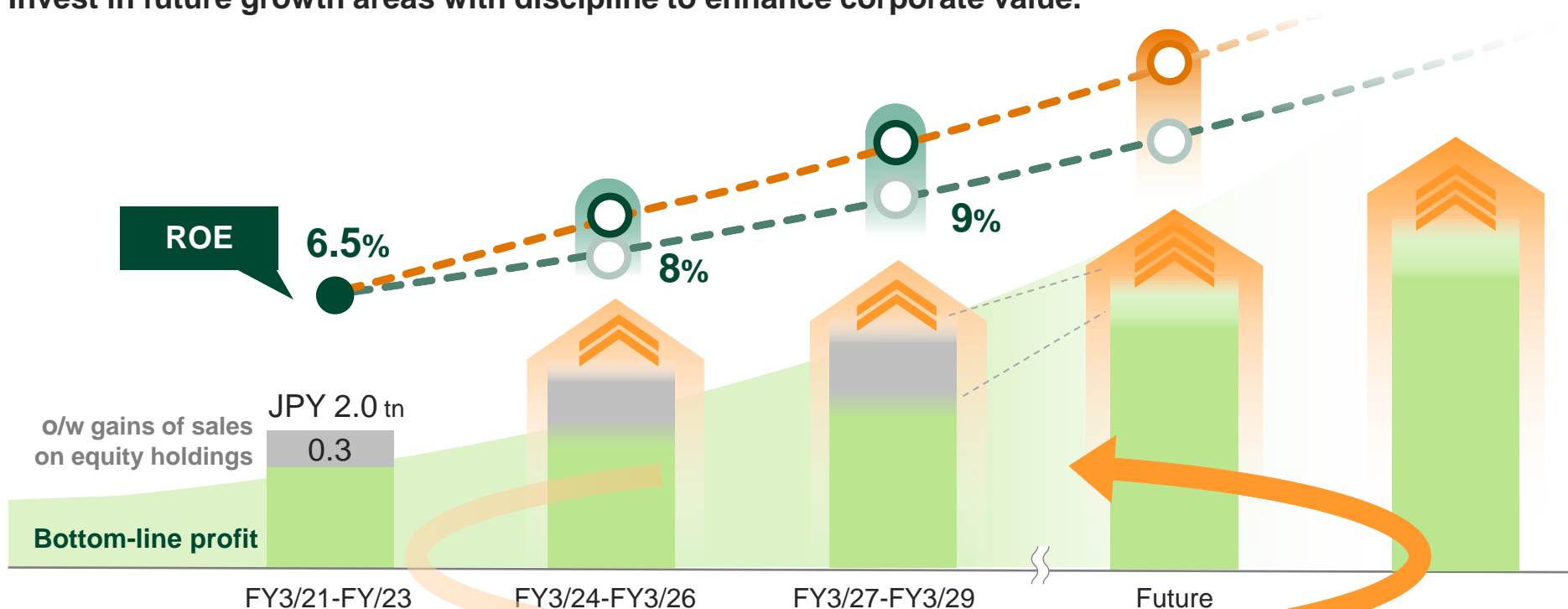
CET1 ratio target



Create future growth through effective capital allocation

Plan for
Fulfilled Growth

Effective use of generated capital (incl. gains on stocks) is essential for sustainable ROE and profit growth.
Invest in future growth areas with discipline to enhance corporate value.



Shareholder return

Dividend payout ratio of 40%
Progressive dividend policy

Flexible share buybacks



Investment for growth

IT / AI
investment

Regrowth of
Japan

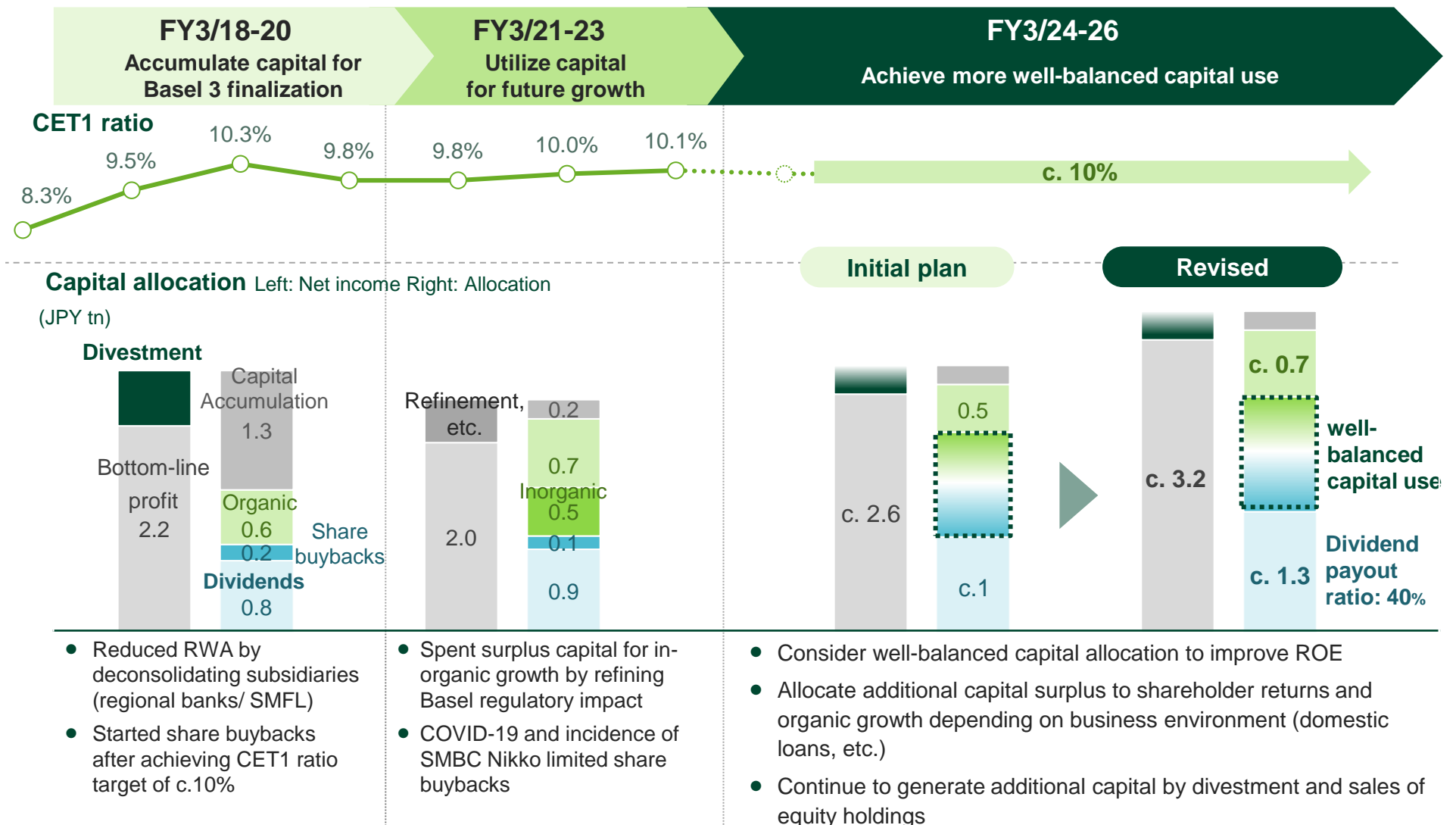
U.S. and Asia



Human capital investment



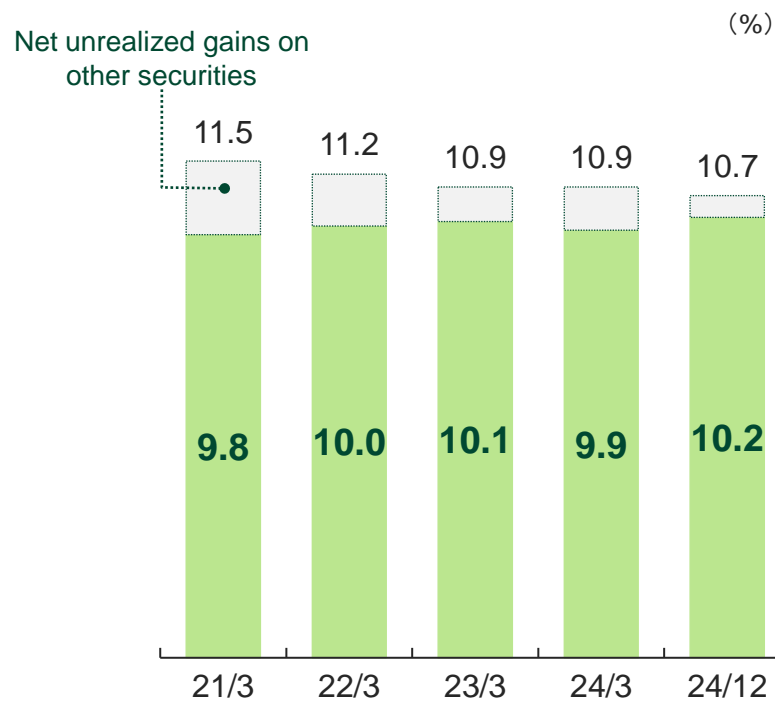
(Ref.) History of capital allocation



(Ref.) CET1 ratio

Plan for
Fulfilled Growth

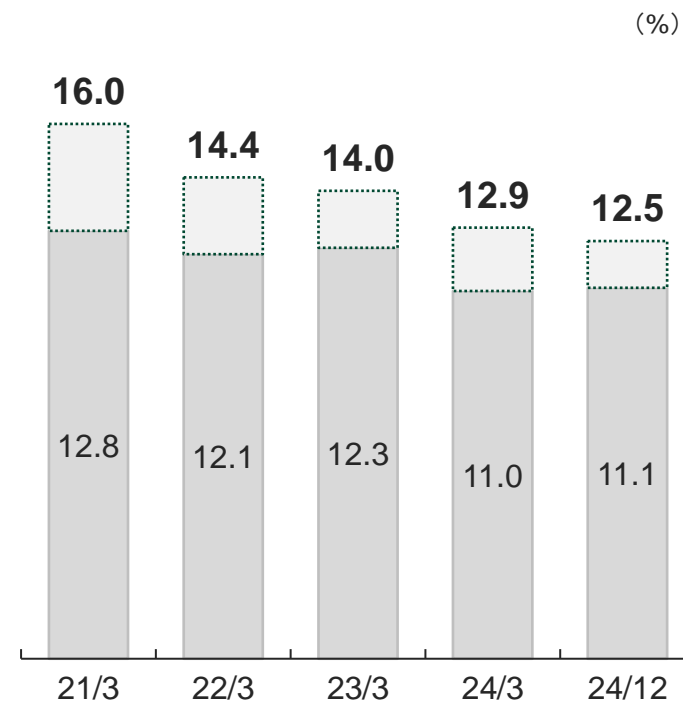
Finalized Basel III basis (financial target)



(JPY tn)

CET1 Capital	8.8	9.6	10.2	10.7
RWA	88.2	94.4	102.3	105.1

Transitional basis



(JPY tn)

CET1 Capital	10.5	10.8	12.0	12.1
RWA	72.4	77.3	92.8	95.8



Appendix

Group overview (1) Group structure

Plan for
Fulfilled Growth

Sumitomo Mitsui Financial Group

Consolidated total assets JPY 290 tn

Credit ratings	Moody's	S&P	Fitch	R&I	JCR
	A1/P-1	A-/-	A-/F1	AA-/ -	AA/-

Consumer Finance

Sumitomo Mitsui Card

SMBC Consumer Finance

SMFG India Credit Company

[49%]

FE Credit

Leasing

[50%]

Sumitomo Mitsui Finance and Leasing

[SMBC 32%, SMFL 68%]

SMBC Aviation Capital

Consolidated subsidiary

Equity-method affiliate

Banking

Sumitomo Mitsui Banking Corporation

Moody's	S&P	Fitch
A1	A	A

[15%]

VPBank

SMBC Trust Bank

[91%]

PT Bank SMBC Indonesia Tbk

[20%]

Rizal Commercial Banking Corporation

Securities

SMBC Nikko Securities

Others

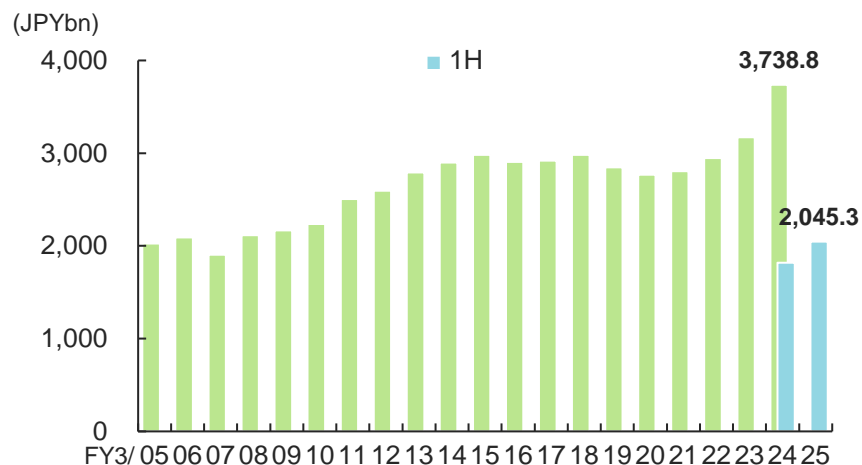
Japan Research Institute

[50.1%]

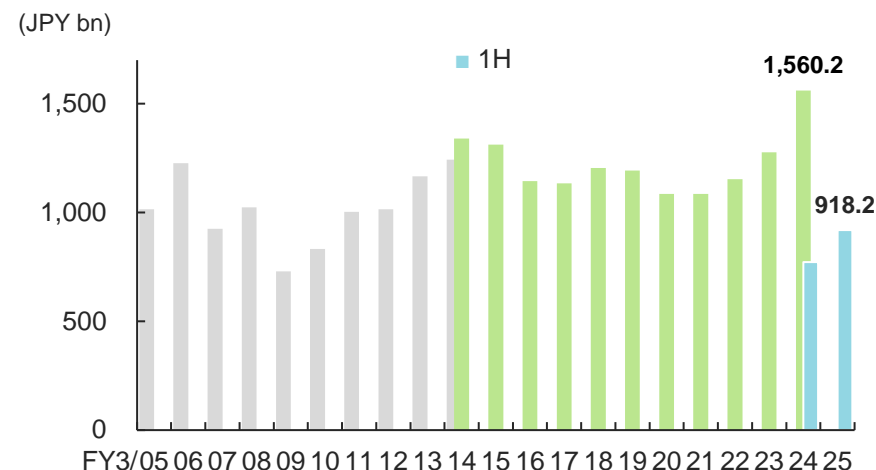
Sumitomo Mitsui DS Asset Management

Group overview (2) Long-term results

Consolidated gross profit



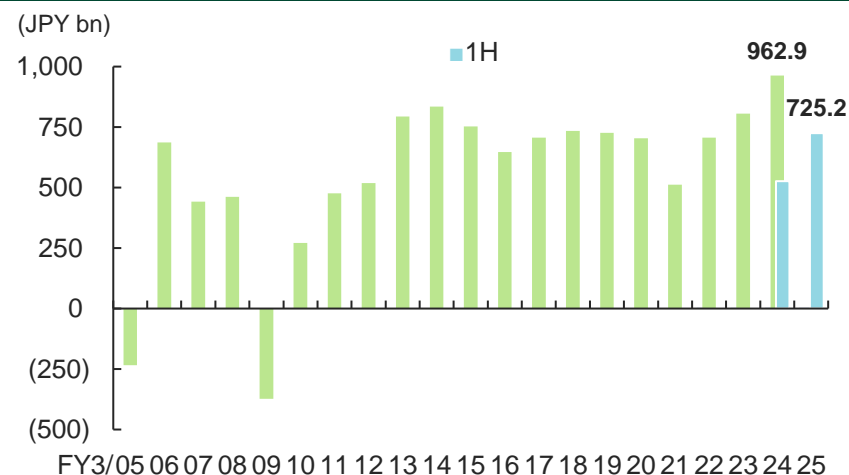
Consolidated net business profit *1



Breakdown of consolidated gross profit

	FY3/03	1H FY3/25
SMBC's domestic loan / deposit related	35%	13%
International business (banking)	5%	35%
Group companies excluding SMBC	18%	26%

Profit attributable to owners of parent



*1 Changed definition of consolidated net business profit from FY3/15. Adjusted retrospectively for FY3/14.

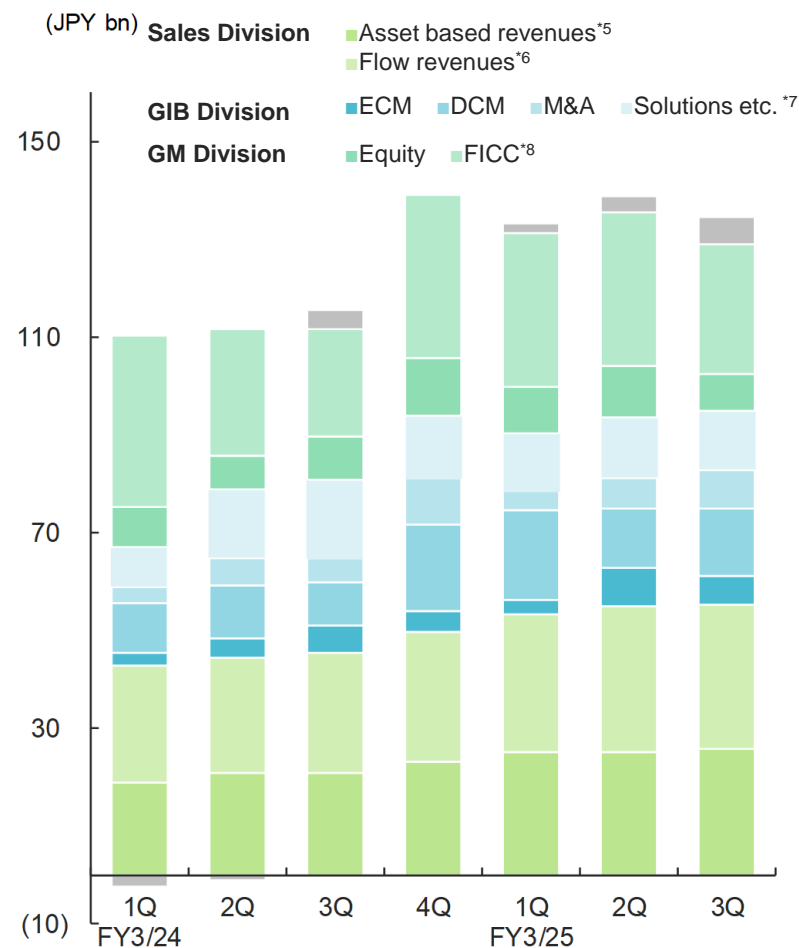
Group companies (1) SMBC Nikko^{*1}

Plan for
Fulfilled Growth

Financial results

	FY3/24	1-3Q FY3/25	YoY
(JPY bn)			
Net operating revenue	473.5	406.6	+72.5
SG&A expenses	401.9	332.8	+42.6
Operating profits	71.6	73.7	+29.9
o/w Sales Division	10.1	26.3	+20.1
GIB Division^{*2}	21.8	17.5	+7.0
GM Division^{*3}	45.5	26.5	(5.5)
Ordinary profits	80.2	77.3	+29.5
Net income	57.6	75.3	+42.0
Client assets^{*4} (JPY tn)	82.7	83.6	

Net operating revenue



^{*1} Incl. profits from SMBC Nikko America and SMBC Capital Markets (managerial accounting basis)

^{*2} Global Investment Banking Division ^{*3} Global Markets Division ^{*4} Non-consolidated

^{*5} Agency commissions on investment trusts, insurance and fund wrap discretionary investment fee, etc.

^{*6} Equity brokerage commissions, etc. ^{*7} Mainly, business that utilizes the company's balance sheet and derivatives

^{*8} Fixed Income, Currency and Commodities

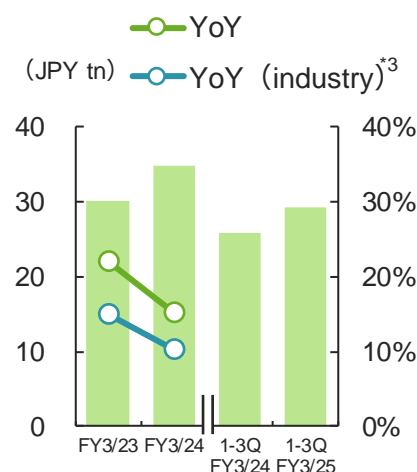
Group companies (2) SMCC (Incl. SMBCCF)

Plan for
Fulfilled Growth

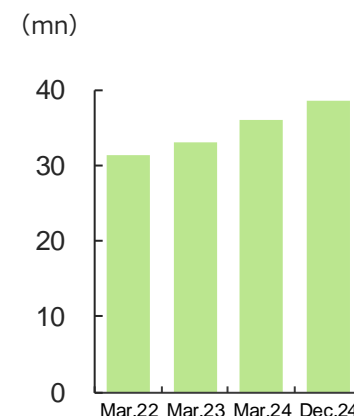
Financial results

(JPY bn)	FY3/24	1-3Q FY3/25	YoY
Operating revenue	901.7	718.7	+51.4
o/w Commission fee	228.4	193.4	+24.4
Finance	306.4	243.8	+15.3
o/w SMBCCF	147.0	117.2	+7.7
Sales on credit and receipt agency	81.1	61.3	+0.2
Loan guarantee revenue	77.4	62.5	+4.5
Operating expenses	785.8	719.6	+148.7
o/w For loan losses	109.8	101.3	+6.9
o/w SMBCCF	54.0	58.7	+3.8
For interest repayment	23.0	99.0	+99.0
For loan guarantees	16.0	7.5	(1.1)
Ordinary profit	57.6	(2.5)	(81.5)
o/w Non-operating revenue	1.2	4.9	+3.3
Non-operating expenses	59.5	6.4	(12.5)
Net income	21.2	24.9 ^{*1}	(27.8)
NPLs^{*2}	98.9	107.7	
(NPL ratio)	10.04%	10.31%	
Allowance on interest^{*2} repayments (provision)	83.7	170.1	
	4.0yrs	10.1yrs	

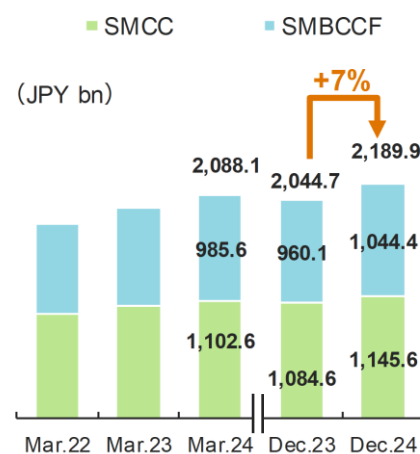
Sales handled



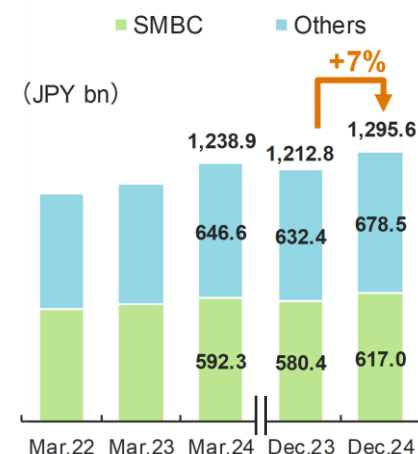
of card holders



Consumer loans^{*4}



Loan guarantee^{*2}



^{*1} Net income :JPY 66.3bn, excl. the gain on extinguishment of tie-in shares related to the merger with SMBCCF: +JPY 46.6 bn and the radical allowance on interest repayment: (88)bn ^{*2} Only SMBCCF

^{*3} Japan Consumer Credit Association "Credit card behavior investigation" Shopping credit amount

^{*4} The Figure from FY3/23 has been adjusted to the reorganization of SMBC Mobit in Apr.23

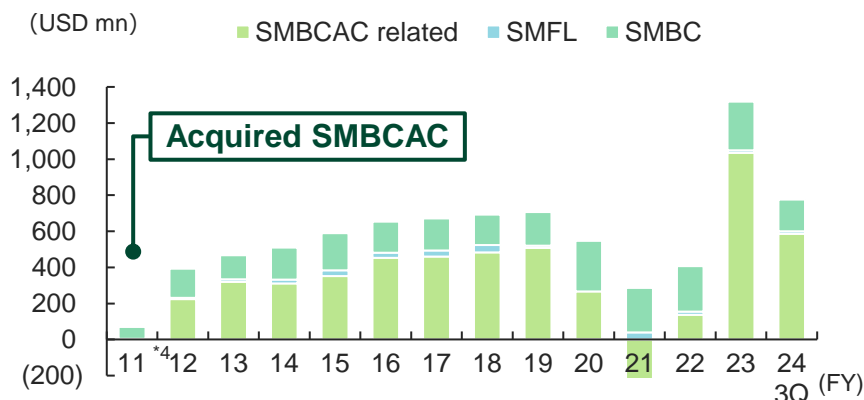
Group companies (3) SMBCAC

Plan for
Fulfilled Growth

Financial results

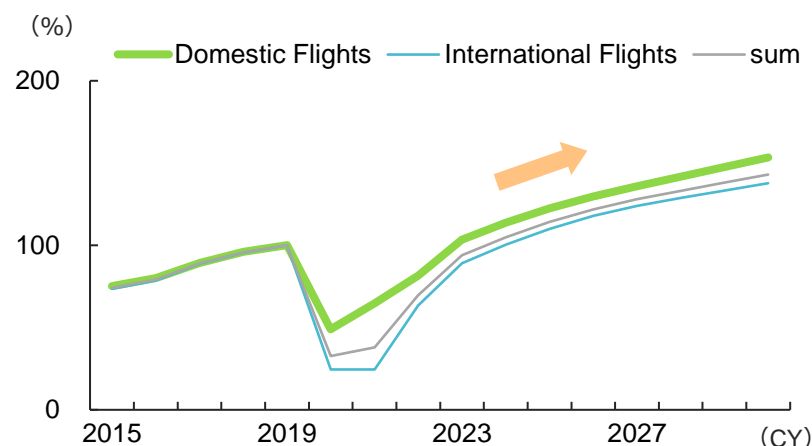
(USD mn)	FY3/24	1-3Q FY3/25	YoY
Total revenue	2,717 ^{*1}	1,604	▲634
o/w Lease revenue	1,877	1,463	+58
Credit / Asset impairment charges^{*2}	(389)	(1)	+395
Net income	774	389	▲296
Aircraft assets^{*3}	22,484	23,316	+703
Net asset	5,379	5,756	+366
ROE	14.4%	9.0%	▲7.9%

Aircraft Business of SMBC Group

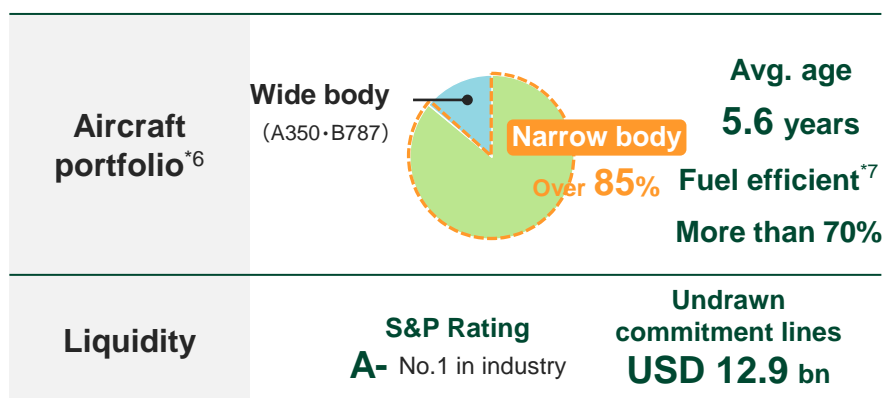


Global passenger demand forecast^{*5}

- Domestic demand exceeded pre-COVID-19 levels



Our strengths



*1 Incl. \$756mn Russian insurance settlement *2 Gross before netting guarantee deposits, etc.

*3 Incl. aircraft pre-delivery payment *4 SMBCAC related includes revenue after the acquisition in June.

*5 IATA/Tourism Economics. Represent changes from CY-19 *6 As of September 24. *7 Neo/MAX/A350/B787

Group companies (4) SMBC Indonesia

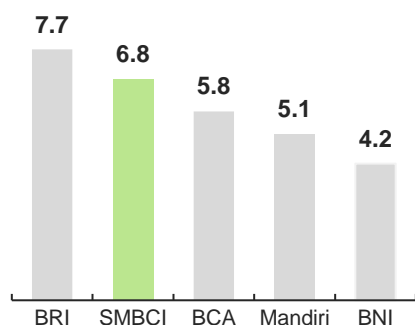
Plan for
Fulfilled Growth

Financial results^{*1}

(JPY bn)	2021	2022	2023	Jan.- Sep. 2024 ^{*2}
Gross banking profit	106.2	116.1	127.8	122.2
Operating expenses	56.6	60.9	67.8	66.1
Credit-related cost	17.1	15.6	27.8	28.3
Net profit	21.6	26.3	22.2	18.9
ROE	8.6%	9.6%	6.3%	6.6%
Loans	1,098.4	1,242.0	1,424.7	1,663.5
Total Assets	1,554.5	1,777.9	1,833.8	2,171.6

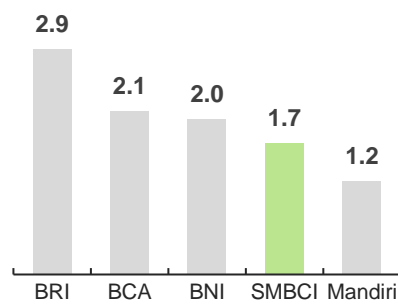
Net interest margin^{*3}

(%)

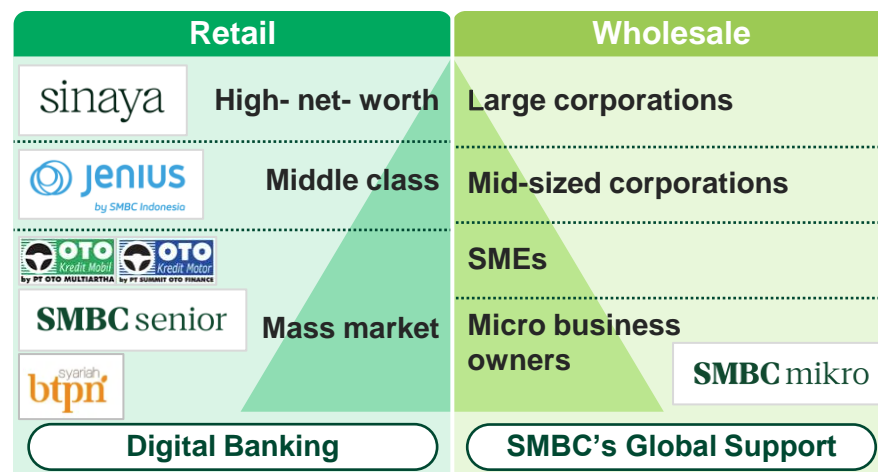


NPL ratio^{*3}

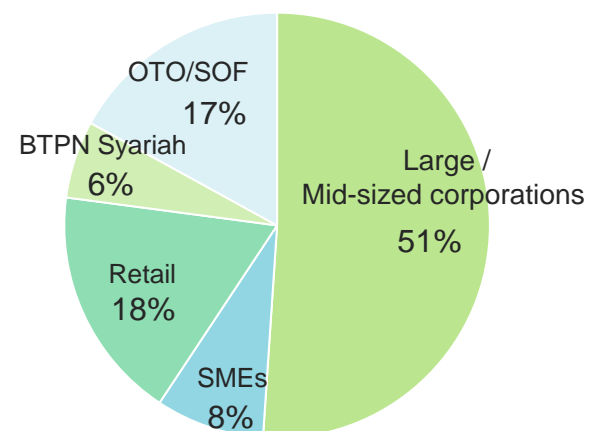
(%)



Coverage



Loan breakdown (Sep.24)



*1 TTM as of Dec.21 IDR 1= 0.0081, Dec.22 IDR 1= 0.0085, Dec.23 IDR 1= 0.0092, Sep.24 IDR 1=0.0095

*2 Including OTO/SOF *3 Based on data published by each company (Jun. or Sep. 24 results)

Group companies (5) SMICC

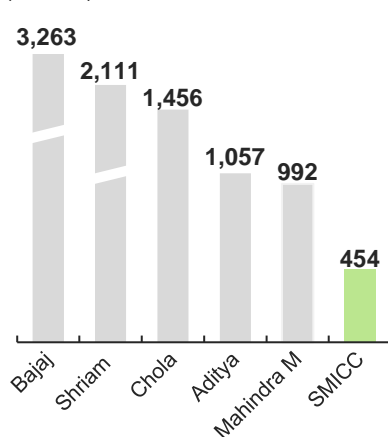
Plan for
Fulfilled Growth

Financial results*1

(JPY bn)	FY3/22	FY3/23	FY3/24	1-3Q FY3/25
Gross banking profit	40.8	58.8	91.3	86.5
Operating expenses	23.5	33.9	51.7	55.1
Credit-related cost	15.5	9.5	23.2	21.6
Net profit	1.2	11.6	12.1	7.2
ROE	1.9%	14.7%	12.2%	7.0%
Loans	411.4	596.8	822.5	894.4
Total Assets	441.4	666.7	877.6	1,115.2

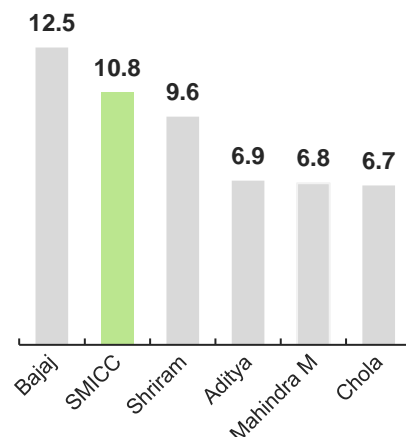
Loan balance*2

(INR bn)

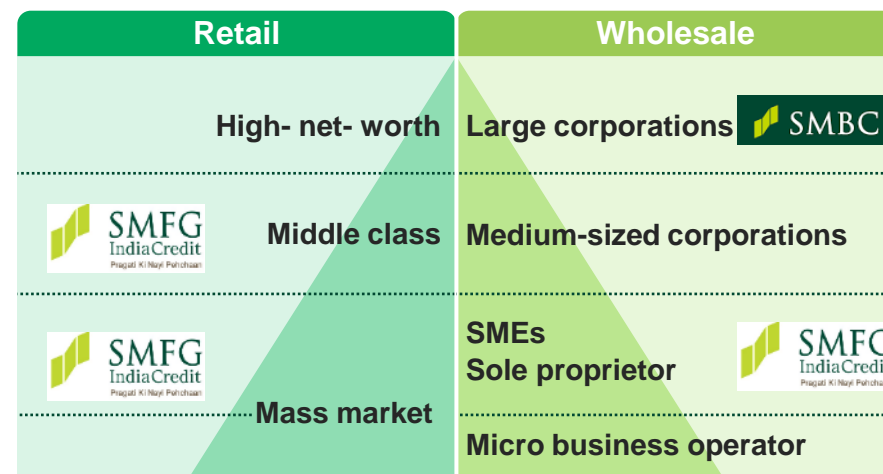


Loan spread*2

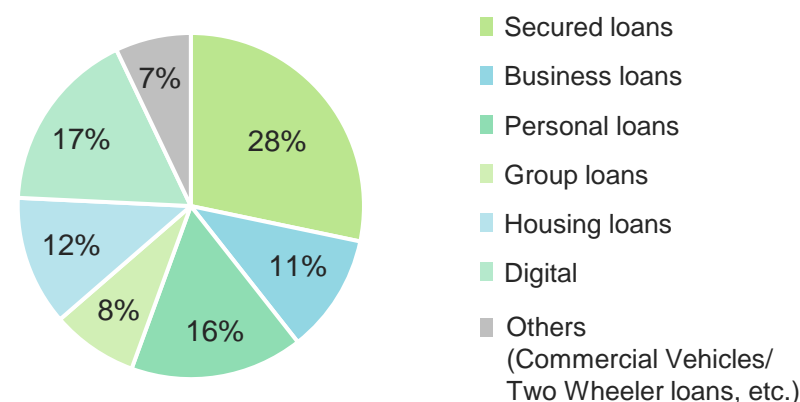
(%)



Coverage



Loan breakdown (Sep.24)



*1 TTM as of, Mar.22: INR1=1.62, Mar.23: INR1= 1.63, Mar.24: INR1=1.81, Dec.24 INR1=1.85

*2 Based on each company's published data (Mar 24 results)

Group companies (6) VPBank / FE Credit

Plan for
Fulfilled Growth

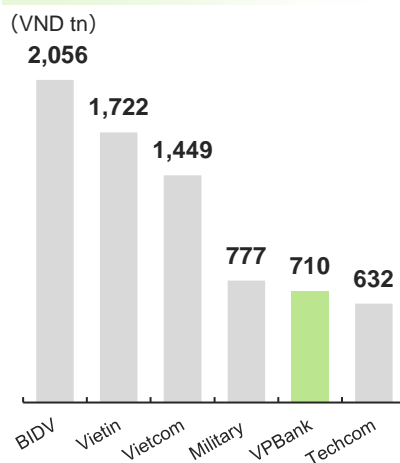
VPBank Financial result^{*1}

(JPY bn)	2021	2022	2023	2024
Gross operating profit	221.5	323.7	303.4	386.0
Operating expense	53.6	79.0	85.0	88.9
Credit-related cost	96.1	125.8	152.5	173.0
Net profit	57.4	94.7	51.8	99.1
ROE	18.1%	20.3%	9.3%	11.5%
Loans	1,920.1	2,686.6	3,656.7	4,401.9
Total Assets	2,737.0	3,533.7	4,987.2	5,727.9

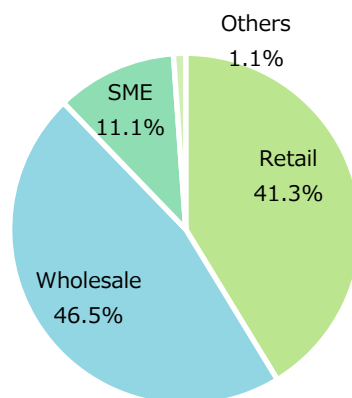
FE Credit Financial result^{*1}

(JPY bn)	2021	2022	2023	Jan-Dec. 2024
Gross operating profit	76.6	84.9	81.0	91.9
Operating expense	23.4	34.3	28.0	22.7
Credit-related cost	57.8	75.3	75.6	66.2
Net profit	0.6	(13.3)	(18.0)	2.4
ROE	0.8%	(16.5)%	(25.2)%	3.9%
Loans	377.1	385.4	343.5	360.2
Total Assets	388.1	428.2	384.7	392.4

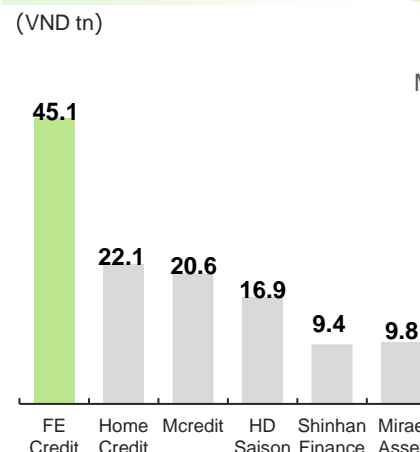
Loans^{*2}



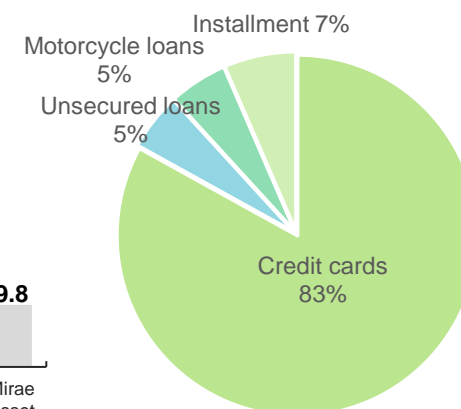
Loan Structure^{*3}



Loans^{*2}



Loan Structure



*1 TTM as of Dec.21:VND1=0.0050, Dec.22:VND1=0.0056, Dec.23:VND1=0.0061, Dec.24:VND1=0.0062

*2 VPBank: Based on Bloomberg data (Dec 24 results) FE Credit: Based on FiinGroup data (Dec 23 results) *3 Non-Consolidated

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Group companies (7) RCBC

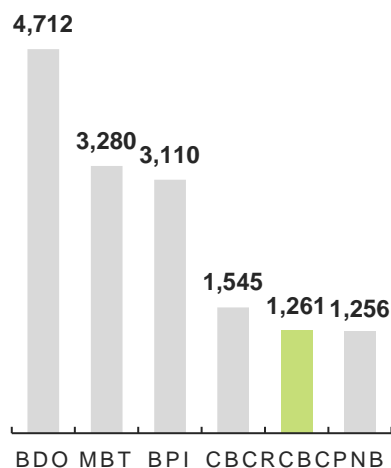
Plan for
Fulfilled Growth

Financial results*¹

(JPY bn)	2021	2022	2023	Jan-Sep. 2024
Gross operating profit	81.9	105.8	127.9	96.3
Operating expenses	50.7	59.7	75.8	59.4
Credit-related cost	13.6	13.6	17.7	14.3
Net profit	15.9	28.8	31.3	15.8
ROE	6.7%	11.2%	9.5%	5.2%
Loans	1,211.2	1,330.1	1,663.8	1,779.2
Deposits	1,513.0	2,040.2	2,449.2	2,525.6
Total Assets	2,158.0	2,746.8	3,170.1	3,276.7

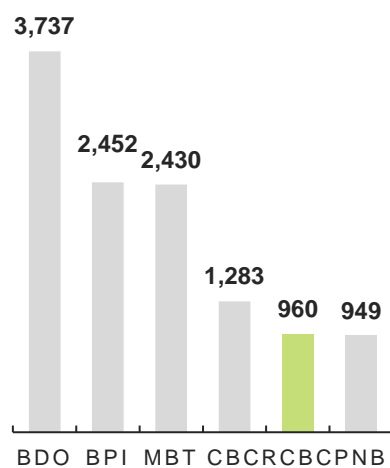
Total assets*²

(PHP bn)

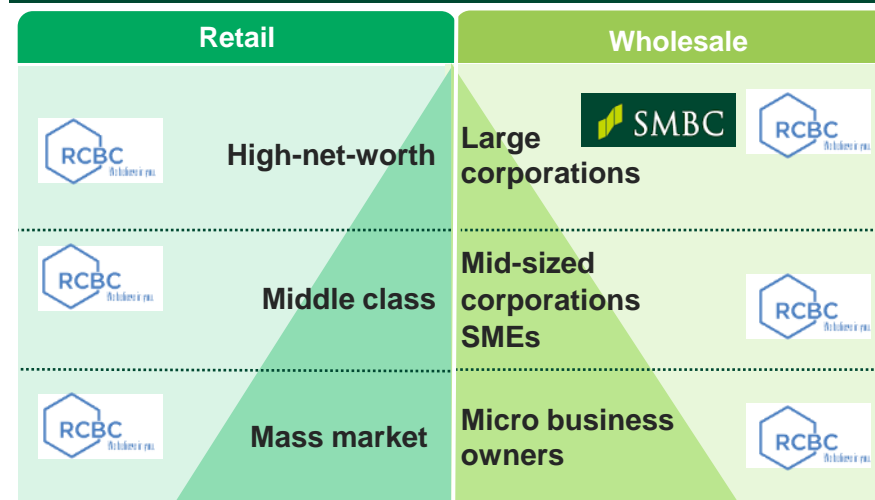


Deposits*²

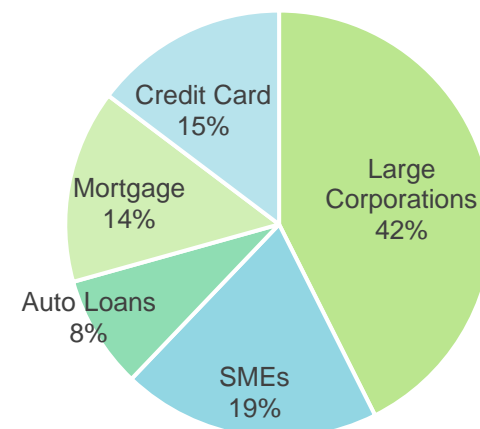
(PHP bn)



Coverage



Loan Breakdown (Sep.24)



*1 TTM as of end of Dec.21:PHP=2.25,Dec.22:PHP=2.38, Dec23:PHP= 2.56, Sep.24:PHP=2.55

*2 As of the end of Jun. 24

Sustainability management structure (1)

Plan for
Fulfilled Growth

Sustainability Management System

Supervision

Board of Directors

Nomination
Committee

Compensation
Committee

Audit Committee

Risk Committee

Jul. 21

Sustainability Committee

Execution

Oct. 18

**Corporate Sustainability
Committee**

Apr. 21

Group CSuO

Apr. 24

**Sustainability Division
for Fulfilled Growth**

Executive Compensation

Base salary

Fixed

Bonus

- Cash
 - Stock
- Compensation
Plan II**

Linked annual performance (0-150%)

Performance	Consolidated net business profit SMFG net income
ESG	Achievement of KPIs ESG ratings of major agencies
Individuals' performance	

Stock Compensation Plan I

Linked medium-term performance (0-150%)

Financial	ROCE1 Base expense Consolidated gross profit SMFG net income
Stock	TSR (Total Shareholder Return)
Non-financial	Create social value
Adjustment	New business areas Compliance/ Customer-oriented initiatives / Risk management

Quantitative

- Sustainable finance
- Financed emissions
- Engagement score
- Inclusion

Materiality initiatives

25%
-45%

40%
-60%

Stock compensation ratio

Linked performance ratio

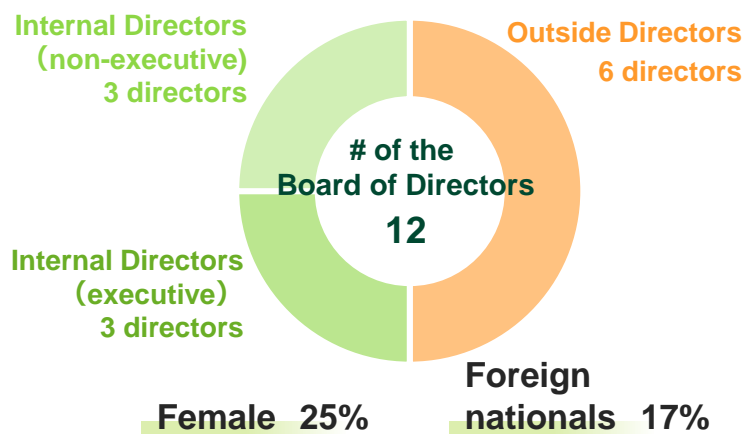
Stock Compensation Plan III

Promotion reward plan

Sustainability management structure (2)

Plan for
Fulfilled Growth

Improve board diversity



Further enhance expertise
















































Directors/executives

- Study sessions for management
- Round- table discussions

Group employees

- Foster awareness of “All-hands participation”
- Training programs

Structure of the Board/ Skills Matrix

	Internal Director (non-executive)		Internal Director (executive)		Outside Director		
	Knowledge and experience expected in particular						
	Management	Finance	Global	Legal/risk management	Accounting	IT/DX	Sustainability
Takeshi Kunibe							
Toru Nakashima							
Teiko Kudo							
Fumihiko Ito							
Toshihiro Isshiki							
Yoshiyuki Gono							
Sonosuke Kadonaga							
Yoshinobu Tsutsui							
Eriko Sakurai							
Charles D. Lake II							
Jenifer Rogers							

Approach to Net Zero

Plan for
Fulfilled Growth

Current Medium-Term Management Plan

		2021	2022	2023	2024	2025	2030	2040	2050
Scope1,2 (Operational GHG)		2030 Net Zero Commitment	Switch to renewable energy			Mid-term Target 40% reduction from FY3/22	Net Zero		
Scope3 (Portfolio GHG)		2050 Net Zero Commitment	Set mid-term target				Achieve mid-term targets 6 sectors		Net Zero
Coal	Loan balance for coal-fired power generation		Established phase-out strategy		Updated policies for specific businesses and sectors		Project finance 50% reduction from FY3/21	Zero Balance*1	
	Loan balance for thermal coal mining sector		Established phase-out strategy				OECD countries Zero Balance	Non-OECD countries Zero Balance	
Sustainable Finance							Cumulative JPY 50tn		
Transition Finance (TF)				TF Playbook			To be continuously revised every year		
Assessment of customers' transition plans		ESG Risk Summary Tool		Trial run for the framework to confirm the transition plan of each company	Introduction of Environmental and Social Due Diligence	Continuous updates			

*1 Project finance and corporate finance tied to facilities

Selected ESG Indices



**FTSE Blossom
Japan Sector
Relative Index**



**2024 CONSTITUENT MSCI NIKONKABU
ESG SELECT LEADERS INDEX**

**2024 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)**

GPIF Selection Index



FTSE4Good

**2024 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX**

Endorsed initiatives



Signatory of:



VISION

A trusted global solution provider
committed to the growth of our customers
and advancement of society

Growth with Quality

Create Social Value

Contribute to
“Fulfilled Growth”

Pursue Economic Value

Transformation &
Growth

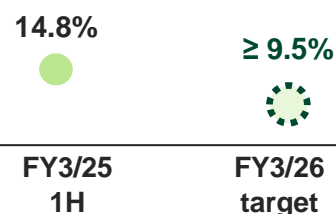
Rebuild Corporate Infrastructure

Quality builds
Trust

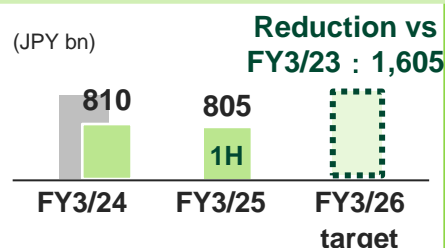
KPI Progress of the Medium-Term Management Plan

Financial targets

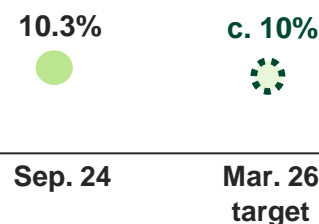
ROCET1



Base expenses*1

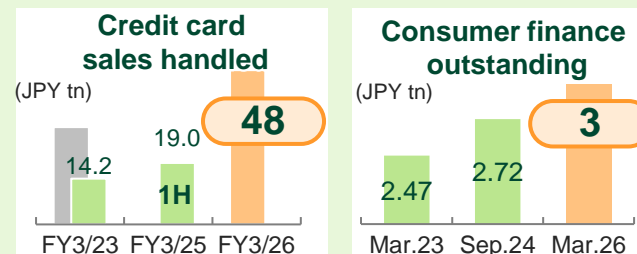


CET1 ratio*2

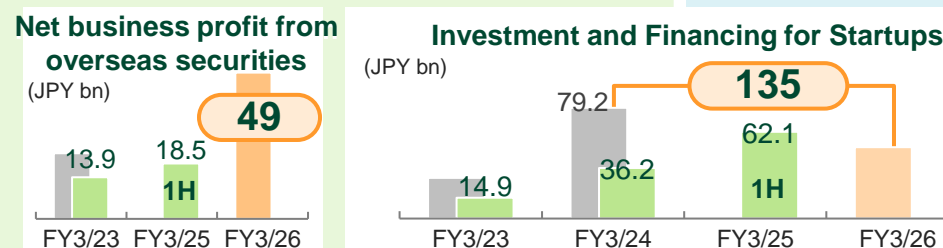


Economic value

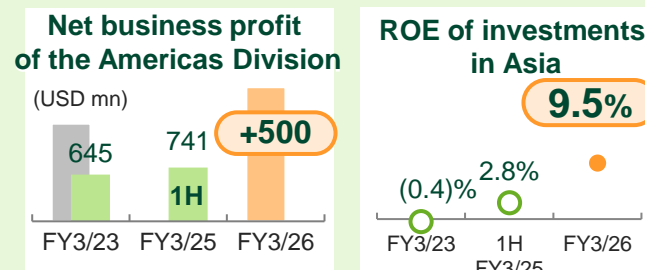
Reform domestic business for possible interest hike



Improve capital efficiency with B/S discipline

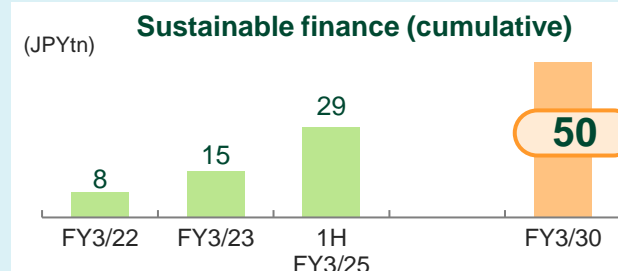


Build global portfolio based on growth potential



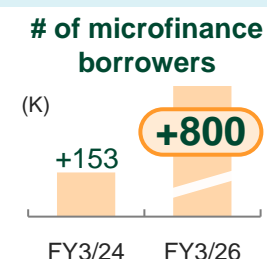
Social Value

Environment

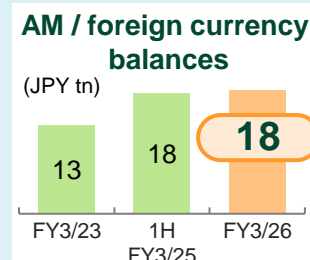


Regrowth of Japan

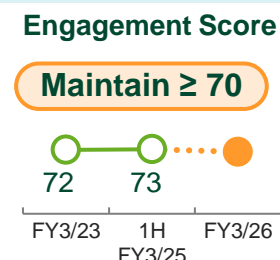
Poverty and Inequality



Declining birthrate & aging population



Inclusion & Human rights



*1 G&A expenses excl. cost related to investment for future growth, revenue-linked variable cost, impact from market conditions, etc. *2 Finalized Basel III basis, excl.net unrealized gains on other securities

Dynamic reallocation of management resources

Reform domestic business model	Reduce unprofitable assets	Review significance of holding
<ul style="list-style-type: none"> ● Retail Business : Shift resources from human to IT by thorough digitalization ● Wholesale business : Shift personnel to growth areas by promoting digitization and efficiency 	<ul style="list-style-type: none"> ● Project finance : High RWA burden ● Trade finance : Short-term, low-interest margins ● Regions of low growth and excessive competition 	<ul style="list-style-type: none"> ● Review strategy for existing financial investees with limited growth potential ● Accelerate reduction pace of strategic shareholdings ● Shift to Green Assets toward a decarbonized society

RWA

JPY (6) tn •..... X**1.5** reduction
vs. previous plan

Domestic workload

(6.5) K •..... >**10%** of
domestic headcount

Shift management resources

Pursue economic value

RWA

+ JPY 11 tn

Workload

+ 3K

Rebuild corporate infrastructure

IT
investment

+ JPY 750 bn

CRE Exposure *1 (Sep.24)

Plan for
Fulfilled Growth

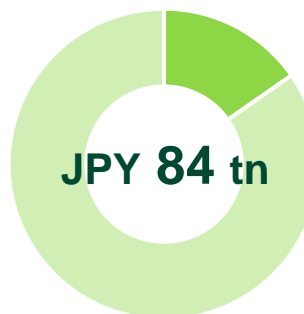
CRE Exposure
JPY 21 tn

- 13% of total exposure
- NPL ratio: 0.6%



Japan

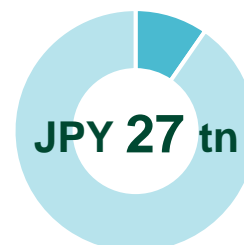
CRE
JPY 13 tn



- Corporate: 50%, NRL: 30%, REITs: 20%
- Investment grade: 70%
- LTV for NRL: < 60%
- NPL ratio: 0.1%

U.S.

CRE
JPY 2.8 tn



- NRL: 60%, REITs: 40%
- Investment grade: 70%
- NPL ratio: 0.1%
- LTV for NRL: c. 60%

o/w for offices

- Balance: JPY 0.2 tn
 < 1% of U.S. Portfolio
- NPL ratio: 0.6%
- NRL: c.50%
 LTV for NRL: <50%

**China/
Hong Kong**

CRE
JPY 1.1 tn



- Corporate: 70%, NRLs :20%, RETIs:10%
- Investment grade: 70%
- Main corporate clients are high-rated conglomerates
- NPL ratio: 7% due to large borrowers, but the rest are of good asset quality.

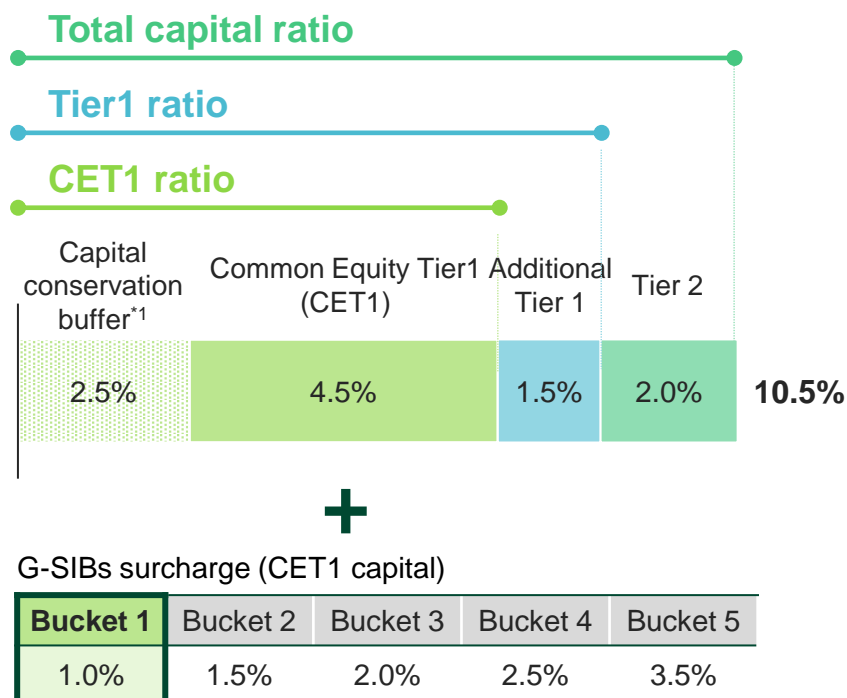
*1 SMBC consolidated, calculated based on location fo headquarter, manegerial accounting basis

Application of Basel III (capital ratio)

Plan for
Fulfilled Growth

		Mar.24	Mar.25	Mar.26	Mar.27	Mar.28	Mar.29
RWA	Revised standardized approach and internal ratings-based framework for credit	Implement					
	Revised credit valuation adjustment (CVA) framework						
	Revised operational risk framework						
	Output floor	50%	55%	60%	65%	70%	72.5%

Capital requirements

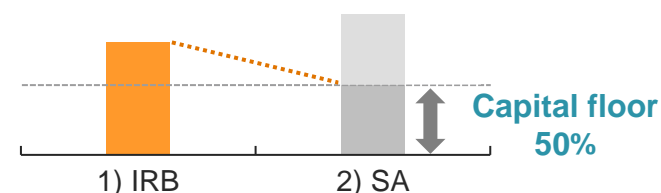


Implementation of output floor

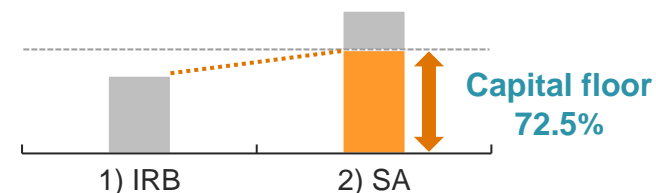
Calculate using larger figure

- 1) RWA based on internal ratings-based approach (IRB)
- 2) RWA based on standardized approach (SA) x capital floor

Mar. 24



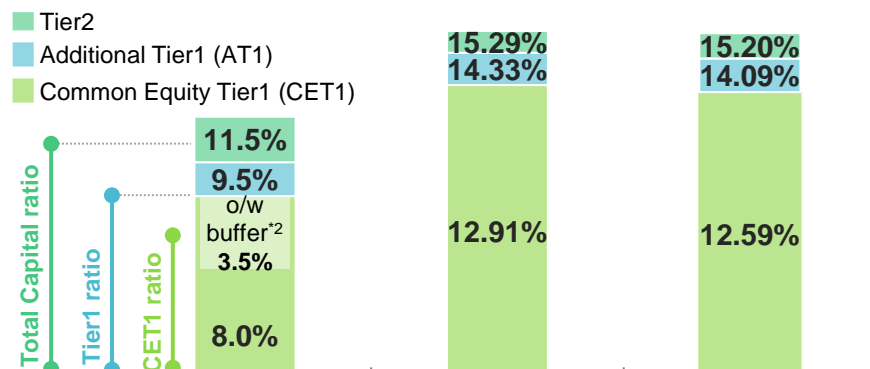
Mar. 29



*1 Countercyclical buffer (CCyB) omitted

Capital ratio(Transitional basis)*1

Transitional basis



(JPY bn)	Mar. 24	Dec. 24
Total capital	14,197.9	14,570.4
Tier1 capital	13,311.6	13,507.4
o/w CET1 capital	11,992.6	12,073.2
Tier2 capital	886.3	1,062.9
Risk-weighted assets	92,848.6	95,841.9
Finalized Basel III basis		
CET1 ratio	10.9%	10.7%
excl. net unrealized gains on other securities	9.9%	10.2%
CET1 Capital*3 (JPY tn)	10.2	10.7
RWA*3 (JPY tn)	102.3	105.1

Other requirement ratios

	Dec. 24	Requirement
External TLAC ratio		
RWA basis	24.09%	18.0%
Leverage exposure basis	9.92%	7.10%
Leverage ratio	5.03%	3.7%
LCR (Average 2Q FY3/25)	135.0%	100%

*1 Basel III finalization phased-in started from Mar. 24. Revised RWA calculation will be fully implemented by Mar. 29

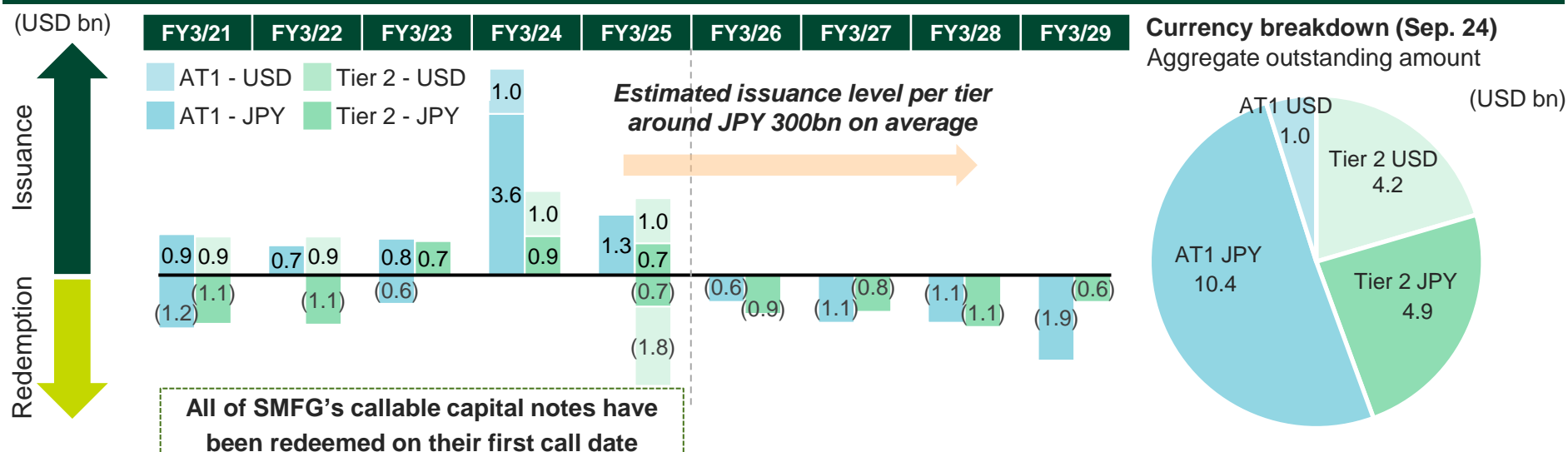
*2 Capital conservation buffer: 2.5%+ G-SIBs surcharge: 1.0%. Countercyclical buffer (CCyB) omitted

*3 Finalized Basel III basis, excl.net unrealized gains on other securities. RWA associated with net unrealized gains on stocks is excluded.

Subordinated notes issuance results and strategy

Plan for
Fulfilled Growth

Subordinated notes issuances and redemptions*1



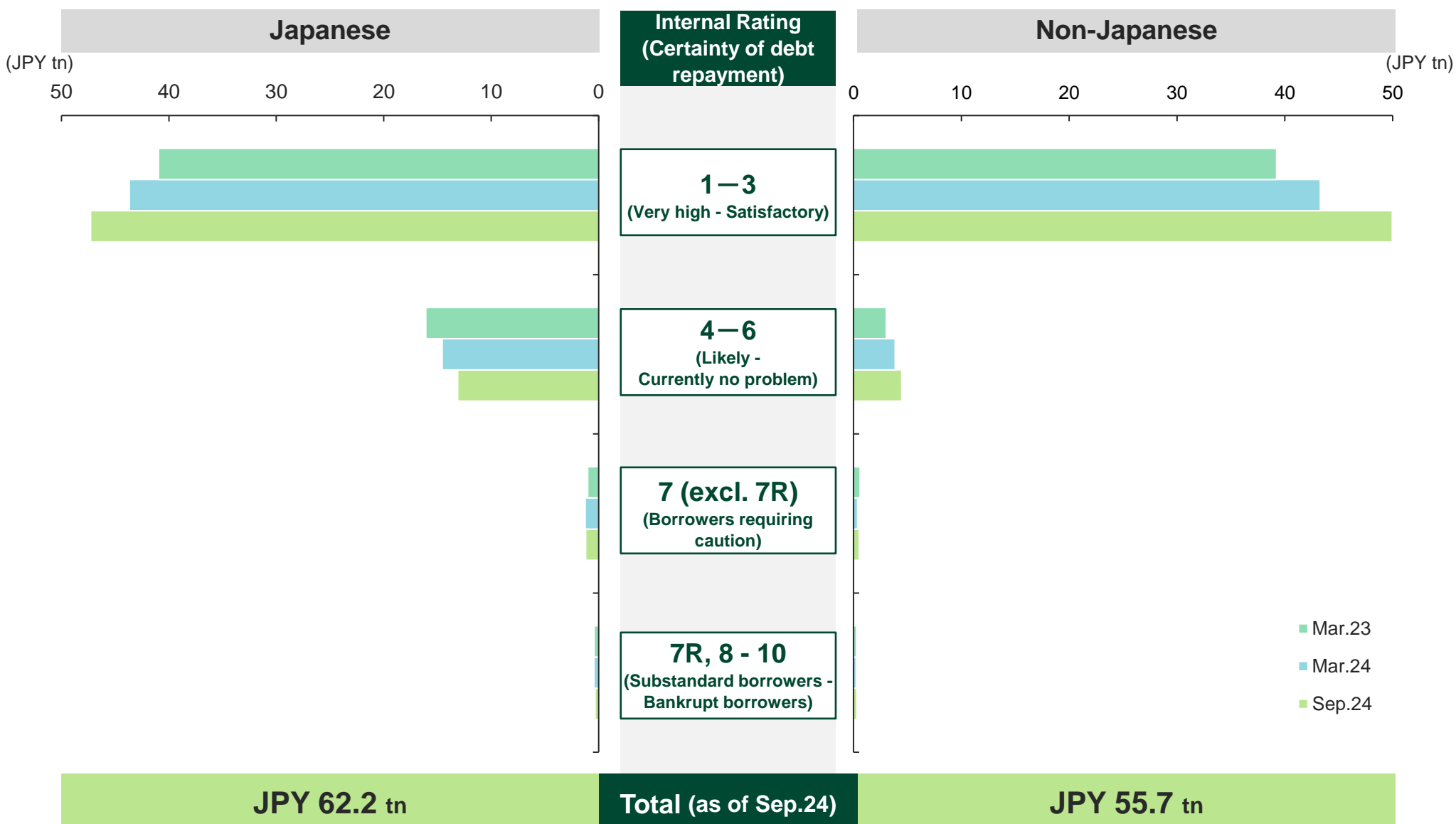
Historical issuance calendar

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
FY3/21						¥ AT1 PNC10 ¥100bn	\$ Tier2 10y \$850mn					
FY3/22						\$ Tier2 20y \$850mn				¥ AT1 PNC10 ¥80bn		
FY3/23									¥ AT1 PNC5/PNC10 ¥107bn			¥ Tier2 10NC5/10y ¥100bn
FY3/24	¥ AT1 PNC5/PNC10 ¥140bn			\$ Tier2 20y \$1bn		¥ AT1 PNC5/PNC10 ¥211bn	¥ Tier2 10NC5/10y ¥130bn			¥ AT1 PNC5/PNC10 ¥188bn	\$ AT1 PNC10 \$1bn	
FY3/25		¥ AT1 PNC5.5/PNC7/PNC10/ PNC12/PNC15 ¥190bn		\$ Tier2 20y \$1bn	¥ Tier2 10NC5/10y ¥100bn							

*1 Callable notes were, or are assumed for illustration to be, redeemed at their respective 1st call dates, while there is no assurance they will be redeemed at such time.

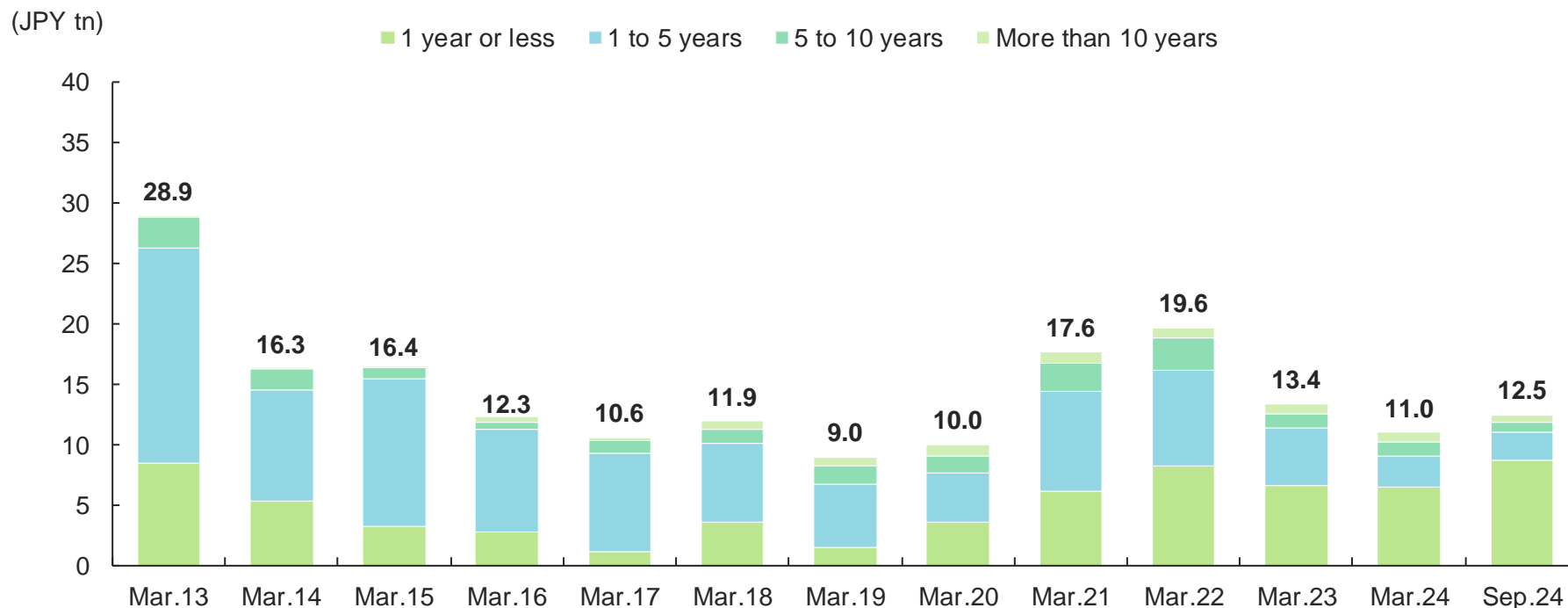
Breakdown by internal ratings*1

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*1 Managerial accounting basis. Exposure include loans, acceptances and guarantees. Foreign exchanges, private placement, suspense payments, undrawn commitments, and derivatives, etc. Excluding the exposure to SMFG consolidated subsidiaries, retail customers in Japan, Japanese government, etc., and specialized lending

SMBC (Total balance of other securities with maturities and bonds classified as held-to-maturity – total of JGBs, local gov. bonds and corporate bonds)



of which JGBs
(JPY tn)

9.8 8.0 9.3 6.3 7.1 14.3 15.8 9.6 7.5 9.3

Average duration (years) ^{*1}	1.8	1.1	1.8	2.8	2.9	2.3	3.2	2.9	2.5	2.8	2.4	2.1	1.3
Unrealized gains/losses (JPY bn) ^{*2}	95.3	60.0	45.9	103.8	57.5	44.2	60.5	21.4	7.9	(49.7)	(62.8)	(98.7)	(91.8)

*1 Excl. bonds classified as held-to-maturity, for which hedge-accounting is applied, and private placement bonds

*2 15-year floating-rate JGBs have been evaluated at their reasonably estimated price until Sep.20

Credit ratings of G-SIBs (1) Operating banks*1

(As of Nov. 1, 2024)

Moody's	Moody's	S&P	Fitch	S&P Fitch
Aaa				AAA
Aa1	<ul style="list-style-type: none"> Bank of America 			AA+
Aa2	<ul style="list-style-type: none"> Bank of New York Mellon JPMorgan Chase Bank UBS Wells Fargo Bank 		<ul style="list-style-type: none"> Bank of America Bank of New York Mellon JPMorgan Chase Bank State Street Bank & Trust 	AA
Aa3	<ul style="list-style-type: none"> BNP Paribas Citibank Crédit Agricole ING Bank Morgan Stanley Bank State Street Bank & Trust 	<ul style="list-style-type: none"> Bank of New York Mellon Royal Bank of Canada State Street Bank & Trust 	<ul style="list-style-type: none"> HSBC Bank ING Bank Morgan Stanley Bank Royal Bank of Canada Toronto Dominion Wells Fargo Bank 	AA-
A1	<ul style="list-style-type: none"> SMBC Agricultural Bank of China Bank of China Barclays Bank BPCE China Construction Bank Deutsche Bank Goldman Sachs Bank HSBC Bank ICBC Mizuho Bank MUFG Bank Royal Bank of Canada Société Générale Standard Chartered 	<ul style="list-style-type: none"> Banco Santander Bank of America Barclays Bank BNP Paribas BPCE Citibank Crédit Agricole Goldman Sachs Bank HSBC Bank ING Bank JPMorgan Chase Bank Morgan Stanley Bank Standard Chartered Toronto Dominion UBS Wells Fargo Bank 	<ul style="list-style-type: none"> Barclays Bank BNP Paribas Citibank Crédit Agricole Goldman Sachs Bank Standard Chartered UBS 	A+
A2	<ul style="list-style-type: none"> Banco Santander BoCom Toronto Dominion 	<ul style="list-style-type: none"> SMBC Agricultural Bank of China Bank of China China Construction Bank Deutsche Bank ICBC Mizuho Bank MUFG Bank Société Générale 	<ul style="list-style-type: none"> SMBC Agricultural Bank of China Bank of China BoCom BPCE China Construction Bank ICBC Mizuho Bank MUFG Bank 	A
A3		<ul style="list-style-type: none"> BoCom 	<ul style="list-style-type: none"> Banco Santander Deutsche Bank Société Générale 	A-
Baa1				BBB+
Baa2				BBB
Baa3				BBB-

*1 Long-term issuer ratings (if not available, long-term deposit ratings) for Moody's, long-term issuer local issuer currency ratings for S&P, long-term issuer default ratings for Fitch

Credit ratings of G-SIBs (2) Holding companies*1

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(As of Nov. 1, 2024)

Moody's	Moody's	S&P	Fitch	S&P Fitch
Aaa				AAA
Aa1				AA+
Aa2				AA
Aa3			<ul style="list-style-type: none"> Bank of America Bank of New York Mellon JPMorgan State Street 	AA-
A1	SMFG <ul style="list-style-type: none"> Bank of America Bank of New York Mellon JPMorgan <ul style="list-style-type: none"> Mizuho Morgan Stanley MUFG State Street Wells Fargo 		<ul style="list-style-type: none"> HSBC ING Morgan Stanley Wells Fargo 	A+
A2	<ul style="list-style-type: none"> Goldman Sachs 	<ul style="list-style-type: none"> Bank of New York Mellon State Street 	<ul style="list-style-type: none"> Barclays Citigroup Goldman Sachs Groupe BPCE Standard Chartered UBS 	A
A3	<ul style="list-style-type: none"> Citigroup HSBC <ul style="list-style-type: none"> Standard Chartered UBS 	SMFG <ul style="list-style-type: none"> Bank of America HSBC ING JPMorgan <ul style="list-style-type: none"> Mizuho Morgan Stanley MUFG UBS 	SMFG <ul style="list-style-type: none"> Mizuho MUFG 	A-
Baa1	<ul style="list-style-type: none"> Barclays ING 	<ul style="list-style-type: none"> Barclays Citigroup Goldman Sachs <ul style="list-style-type: none"> Standard Chartered Wells Fargo 		BBB+
Baa2				BBB
Baa3				BBB-

*1 Long-term issuer ratings (if not available, Senior unsecured ratings) for Moody's, long-term issuer local currency ratings for S&P, long-term issuer default ratings for Fitch

This document contains “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995), regarding the intent, belief or current expectations of Sumitomo Mitsui Financial Group, Inc. (“the Company”) and its management with respect to the Company’s future financial condition and results of operations. In many cases but not all, these statements contain words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “probability,” “risk,” “project,” “should,” “seek,” “target,” “will” and similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those expressed in or implied by such forward-looking statements contained or deemed to be contained herein. The risks and uncertainties which may affect future performance include: deterioration of Japanese and global economic conditions and financial markets; declines in the value of the Company’s securities portfolio; incurrence of significant credit-related costs; the Company’s ability to successfully implement its business strategy through its subsidiaries, affiliates and alliance partners; and exposure to new risks as the Company expands the scope of its business. Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this document. The Company undertakes no obligation to update or revise any forward-looking statements.

Please refer to the Company’s most recent disclosure documents such as its annual report on Form 20-F and other documents submitted to the U.S. Securities and Exchange Commission, as well as its earnings press releases, for a more detailed description of the risks and uncertainties that may affect its financial conditions, its operating results, and investors’ decisions.

Exchange rates (TTM)

	Dec.23	Mar.24	Dec.24
USD	141.83	151.33	158.15
EUR	157.08	163.24	164.86

Assumptions for FY3/25

Policy rate (Maximum)	Japan	0.25%
	U.S.	4.0%
FX rate	USD	JPY 140

Definitions

SMFG	Sumitomo Mitsui Financial Group, Inc.
SMBC	Sumitomo Mitsui Banking Corporation
SMBC Trust	SMBC Trust Bank
SMFL	Sumitomo Mitsui Finance and Leasing
SMBC Nikko	SMBC Nikko Securities
SMCC	Sumitomo Mitsui Card Company
SMBCCF	SMBC Consumer Finance
SMDAM	Sumitomo Mitsui DS Asset Management
SMBCAC	SMBC Aviation Capital
SMICC	SMFG India Credit Company (Former Fullerton India)
Major local subsidiaries	SMBC Bank International, SMBC Bank EU, SMBC (China)
Expenses (non-consolidated)	Excl. non-recurring losses
Net business profit	Before provision for general reserve for possible loan losses
Retail Business Unit (RT)	Domestic retail business
Wholesale Business Unit (WS)	Domestic wholesale business
Global Business Unit (GB)	International business
Global Markets Business Unit (GM)	Market / Treasury related businesses