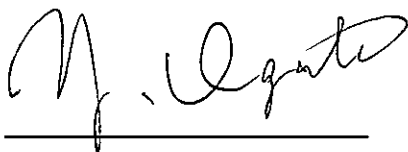


SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

Sumitomo Mitsui Banking Corporation, Hong Kong Branch with its principal activities of the provision of banking and related financial services is pleased to release the Key Financial Information Disclosure Statement for the financial year ended 31 March 2020. The information contained therein is in full compliance with the disclosure standards set out in the Hong Kong Monetary Authority's Supervisory Policy Manual on CA-D-1 (Guideline on the Application of the Banking (Disclosure) Rules) and is not false or misleading. The accounting policies have also been consistently applied.

All figures reported are based on the underlying accounting records of the Branch and have been subjected to an analytical review to ensure that all figures have been correctly compiled, in all material respects, from the books and records of the Branch.

For and on behalf of
Sumitomo Mitsui Banking Corporation
(Incorporated in Japan with Limited Liability)
Hong Kong Branch



Yoshiyuki Ogata
Chief Executive

27th July 2020

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

1. Income Statement	Year ended 31-Mar-2020 In HKD '000	Year ended 31-Mar-2019 In HKD '000
Net interest income	1,195,892	1,214,792
Interest income	13,456,418	11,305,608
Interest expense	(12,260,526)	(10,090,816)
Net fees and commissions income	379,863	329,937
Fees and commissions income	430,528	376,384
Fees and commissions expense	(50,665)	(46,447)
Other operating income	373,255	45,122
Gain less losses from trading in foreign currencies	247,332	115,311
Gain less losses from other trading activities	(21,080)	0
Others	147,003	(70,189)
Operating expenses	(649,704)	(651,495)
Staff expenses	(451,237)	(444,661)
Other operating expenses	(198,467)	(206,834)
Net charge for bad and doubtful debts provisions	(105,900)	120
Gains less losses from the disposal of fixed and other assets	(3,068)	(536)
Profit before taxation	1,190,338	937,940
Taxation charge	(48,767)	(41,308)
Profit after taxation	1,141,571	896,632

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

2. Balance Sheet	31-Mar-2020	30-Sep-2019
	<u>In HKD '000</u>	<u>In HKD '000</u>
<u>Assets</u>		
Cash and balances with banks	5,567,539	5,520,134
Placements with banks maturing between one and twelve months	21,428,356	26,517,670
Amount due from overseas offices	88,021,579	141,069,463
Trade bills	115,245	2,184,142
Advances and other accounts	155,577,777	153,789,053
Advances to customers	149,540,857	145,403,579
Advances to banks	2,100,119	4,172,111
Accrued interest receivables and other accounts	3,936,801	4,213,363
Provisions for bad and doubtful debts	(1) (2) (159,215)	(53,406)
Investment securities	38,376,823	35,007,058
Other investments	0	0
Property and equipment	53,838	39,391
Total assets	308,981,942	364,073,505
<u>Liabilities</u>		
Deposits and balances from banks	15,729,845	16,615,480
Deposits from customers	72,972,949	85,296,600
Demand deposits and current accounts	2,503,995	3,081,637
Saving deposits	16,273,883	12,373,739
Time, call and notice deposits	54,195,071	69,841,224
Amount due to overseas offices	207,197,839	250,914,580
Certificates of deposit issued	5,687,718	5,788,840
Other liabilities	7,393,591	5,458,005
Total liabilities	308,981,942	364,073,505

(1) There were no general provisions made as of 30 September 2019 and 31 March 2019.

(2) There were no specific provisions made for banks or other financial institutions as of 30 September 2019 and 31 March 2019.

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

3. Analysis of gross amount of loans and advances to customers

	31-Mar-2020 In HKD '000	% of advances covered by collateral	30-Sep-2019 In HKD '000	% of advances covered by collateral
(a) Breakdown by industry sectors				
Industrial, commercial and financial				
Property development	26,490,282	0.00%	24,436,543	1.61%
Property investment	5,925,554	6.52%	5,551,332	0.00%
Financial concerns	4,966,188	0.00%	4,698,411	0.00%
Stockbrokers	351,053	0.61%	355,012	0.61%
Wholesale and retail trade	11,440,982	0.00%	13,971,656	0.00%
Manufacturing	3,693,287	0.00%	3,868,963	0.00%
Transport and transport equipment	5,989,639	20.41%	5,810,765	22.29%
Recreational activities	0	0.00%	0	0.00%
Information technology	549,213	0.00%	553,700	0.00%
Others	11,363,973	0.03%	12,069,922	0.03%
Individuals	(1) 0	0.00%	0	0.00%
Total loans and advances for use in Hong Kong	70,770,171	2.28%	71,316,304	2.37%
Trade finance	551,784	0.00%	673,174	0.00%
Other loans and advances for use outside Hong Kong	78,218,902	4.18%	73,414,101	3.30%
Gross loans and advances to customers	149,540,857	3.27%	145,403,579	2.83%

(b) Breakdown by geographical areas

Advances to customers by geographical area are classified according to the location of the counterparties after taking into account the transfer of risk for which exceed 10% of the aggregate gross amount to customers.

	31-Mar-2020 In HKD '000	30-Sep-2019 In HKD '000
Gross advances to customers		
Hong Kong	94,430,417	93,368,713
China	15,626,903	15,530,475
Overdue advances to customers		
Hong Kong	39,574	39,575
China	392,994	9,520
Non performing advances to customers		
Hong Kong	39,574	39,575
China	392,994	9,520

(1) There were no loans and advances to individuals for the purchase of properties and credit card advances as of 31 March 2020 and 30 September 2019.

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

4. Non-bank Mainland Exposures

Non-bank counterparties are identified in accordance with the method set out in the Return of Mainland Activities issued by the Hong Kong Monetary Authority.

	31-Mar-2020 In HKD million		
	On-balance sheet exposures	Off-balance sheet exposures	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	37,637	1,078	38,715
2. Local governments, local government-owned entities and their subsidiaries and JVs	1,474	300	1,774
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	12,245	1,176	13,421
4. Other entities of central government not reported in item 1 above	1,572	12	1,584
5. Other entities of local government not reported in item 2 above	1,567	0	1,567
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	20,873	2,588	23,461
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	75,368	5,154	80,522
Total assets after provision	308,982		
On-balance sheet exposures as percentage of total assets	24.39%		

	30-Sep-2019 In HKD million		
	On-balance sheet exposures	Off-balance sheet exposures	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	42,928	2,238	45,166
2. Local governments, local government-owned entities and their subsidiaries and JVs	939	0	939
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	9,040	1,652	10,692
4. Other entities of central government not reported in item 1 above	1,998	97	2,095
5. Other entities of local government not reported in item 2 above	1,662	0	1,662
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	18,808	3,256	22,064
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	75,375	7,243	82,618
Total assets after provision	364,074		
On-balance sheet exposures as percentage of total assets	20.70%		

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

5. Provisions for non performing advances

(1) (2)

	31-Mar-2020 In HKD '000	% of total loans & advances to customers	30-Sep-2019 In HKD '000	% of total loans & advances to customers
Non performing advances to customers	505,654	0.34%	53,536	0.04%
Specific provisions made in respect of such advances	159,215	NA	53,405	NA
Value of collateral in respect of such advances	0	NA	0	NA

6. Overdue and rescheduled assets

(3) (4)

	31-Mar-2020 In HKD '000	% of total loans & advances to customers	30-Sep-2019 In HKD '000	% of total loans & advances to customers
<u>(a) Overdue assets</u>				
Overdue advances to customers				
more than 3 months and less than 6 months	323,050	0.22%	0	0.00%
more than 6 months and less than 1 year	0	0.00%	0	0.00%
more than 1 year	43,878	0.03%	53,536	0.04%
Specific provisions made in respect of such advances	124,534	NA	53,405	NA
Unsecured portion of such overdue advances	366,928	NA	53,536	NA
Value of collateral held against such overdue advances	0	NA	0	NA
<u>(b) Rescheduled assets</u>				
Rescheduled advances to customers (excluding those overdue 3 months or more)	0	0.00%	0	0.00%

7. Repossessed assets

There were no repossessed assets held as of 31 March 2020 and 30 September 2019.

(1) There were no non-performing loans and advances to banks or other financial institutions as of 31 March 2020 and 30 September 2019.

(2) SMBC maintains general provisions for overseas branch which are available to absorb all probable credit losses inherent in the bank's portfolio.

(3) There were no overdue or rescheduled loans and advances to banks and other financial institutions as of 31 March 2020 and 30 September 2019.

(4) There were no other assets for which overdue more than three months as of 31 March 2020 and 30 September 2019.

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

8. Off-balance sheet exposures

Contractual amounts of significant off-balance sheet exposures are disclosed.

	<u>31-Mar-2020</u> In HKD '000	<u>30-Sep-2019</u> In HKD '000
<u>(a) Non derivative exposures</u>		
Direct credit substitutes	3,118,669	3,318,957
Transaction-related contingencies	381,331	369,634
Trade-related contingencies	725,017	1,678,185
Forward deposits placed	8,872,071	26,515,694
Other commitments	104,373,571	112,445,124

(b) Derivative exposures

Exchange rate contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	313,123,318	267,086,127
Interest rate contracts	33,682,485	54,366,047
Others	38,768	0

Fair value of each type of derivatives are disclosed.

	<u>31-Mar-2020</u> In HKD '000	<u>30-Sep-2019</u> In HKD '000
<u>Assets</u>		
Exchange rate contracts	1,534,247	1,466,302
Interest rate contracts	758,172	562,717
Others	1,399	0
<u>Liabilities</u>		
Exchange rate contracts	2,124,036	1,171,649
Interest rate contracts	764,880	540,101
Others	0	0

There was no bilateral netting agreement as of 31 March 2020 and 30 September 2019.

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

9. Liquidity information disclosures

Governance of liquidity risk management

Sumitomo Mitsui Banking Corporation (“the Bank”), Hong Kong Branch (“the Branch”) adopts the Bank’s Global Policy for Fund Liquidity Risk Management (“the Global Policy”) formulated and set by the Corporate Risk Management Department (Head Office, Tokyo) to ensure the maintenance of satisfactory liquidity to meet its obligations when they fall due. The Global Policy provides the Branch with the directions to implement an effective process to manage money gap, liquidity contingency plan and supplementary liquidity.

In addition to the Global Policy, Statement of Liquidity Management Policy and Procedures for Monitoring Liquidity Maintenance Ratio have also been formulated and documented locally to identify, measure, monitor, report and manage liquidity risks and related liquidity and funding requirements under both normal and stressed conditions.

The liquidity and funding requirements are managed in a manner such that all local statutory requirements, internal limits and guidelines are properly monitored and controlled at an appropriate interval.

Structure and responsibilities for liquidity risk management

The Branch manages liquidity risks in an integrated manner. The information relating to the liquidity risk management is reported in monthly ALM Committee meeting. The local policies are reviewed and approved by the senior management and ALM Committee on an annual basis to address any changes in a statutory or reporting requirements where appropriate.

The internal limits and guidelines are also subject to review on a regular basis and in a timely manner to cope with any changes in market conditions where necessary. Internal Audit Department conducts periodical independent reviews on the Branch’s liquidity management framework to ensure the adequacy and effectiveness of all liquidity risk functions.

Liquidity risk monitoring

Liquidity risk management monitoring forms an integral part of the liquidity framework. By detecting emerging liquidity risk at an early stage, the Branch is able to withstand both normal and stressed conditions especially in times of limited funding assess. Different measurements and indicators such as the calculation of Liquidity Maintenance Ratio, Core Funding Ratio, Maturity Profile and Cash Flow Analysis are adopted in the risk management monitoring mechanism.

Funding strategy

The maintenance of satisfactory liquidity is one of the most important policies. The Branch aims to maintain diversified and stable funding sources with an appropriate mix of liabilities including borrowing in the inter-bank market, customer deposits, issuance of negotiable certificates of deposits and inter-groups funding. Appropriate amount of high quality liquid assets are held in order to obtain funding from Repo market or through liquidation in stress events.

Besides, contingency funding plans is developed in preparation for the situation in which the liquidity risk materializes for the Branch as a whole due to various internal and external factors.

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

9. Liquidity information disclosures (continued)

Stress testing

Liquidity stress testing on all currencies basis as well as each significant currency basis is regularly conducted to project the Branch's cash flow under stress scenarios by applying a set of prescribed stress assumptions to the cash flow position. The Branch seeks to manage the sufficiency of liquidity cushion by reviewing stress test results to ensure projected cash outflows under various stress assumptions are properly covered.

Liquidity maintenance ratio ("LMR")

	31-Mar-2020	31-Mar-2019
The average liquidity maintenance ratio for quarter ended	<u>51.70%</u>	<u>47.61%</u>

Core funding ratio ("CFR")

	31-Mar-2020	31-Mar-2019
The average core funding ratio for quarter ended	<u>99.73%</u>	<u>92.44%</u>

The average liquidity maintenance ratio and the average core funding ratio are calculated based on the arithmetic mean of each month's corresponding average with reporting period made in accordance with the requirements specified under Banking (Disclosure) Rules.

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 31 March 2020

9. Liquidity information disclosures (continued)

Liquidity Risk Mismatch

The following table analyses the on and off balance sheet items, with reference to the completion instructions for Return of Liquidity Monitoring Tools issued by the Hong Kong Monetary Authority.

As at 31 Mar 2020

In HKD '000	Total amount	Up to 7 days	Between 8 days to 1 month	Between 1 to 3 months	Between 3 months to 1 year	Between 1 to 5 years	Over 5 years	No specific maturity
On-balance sheet liabilities								
Deposits and balances due to banks	223,335,276	20,903,022	31,032,623	57,920,652	30,663,224	82,815,755	-	-
Deposits from customers	73,105,365	30,104,020	16,311,447	23,210,651	3,006,326	434,153	38,768	-
Certificates of deposit issued	5,726,341	-	957	140,362	291,022	5,294,000	-	-
Other liabilities	5,134,357	3,807,636	1,213,534	83,199	27,528	2,460	-	-
Total on-balance sheet liabilities	307,301,339	54,814,678	48,558,561	81,354,864	33,988,100	88,546,368	38,768	-
Total off-balance sheet liabilities	111,181,134	28,722,343	2,348,593	3,993,862	18,607,366	41,299,884	16,209,086	-
On-balance sheet assets								
Cash and balances due from banks	117,384,667	21,033,317	27,953,224	34,575,451	21,215,977	12,471,681	135,017	-
Loans and advances to customers	149,746,998	12,719,676	22,286,820	14,606,311	17,981,533	70,067,975	11,579,028	505,655
Trade bills	115,288	13,618	9,242	91,064	1,364	-	-	-
Investment securities	38,453,054	33,106,895	-	-	-	5,346,159	-	-
Other assets	1,853,692	1,525,396	52,210	103,553	30,756	-	-	141,777
Total on-balance sheet assets	307,553,699	68,398,902	50,301,496	49,376,379	39,229,630	87,885,815	11,714,045	647,432
Total off-balance sheet assets	120,718,365	38,767,500	2,326,286	3,744,789	18,455,543	41,208,129	16,216,118	-
Net liquidity mismatch		23,629,381	1,720,628	(32,227,558)	5,089,707	(752,308)	11,682,309	
Cumulative liquidity mismatch		23,629,381	25,350,009	(6,877,549)	(1,787,842)	(2,540,150)	9,142,159	

As at 31-Mar-2019

In HKD '000	Total amount	Up to 7 days	Between 8 days to 1 month	Between 1 to 3 months	Between 3 months to 1 year	Between 1 to 5 years	Over 5 years	No specific maturity
On-balance sheet liabilities								
Deposit and balance from bank	224,552,530	19,750,065	56,390,428	71,960,090	8,465,699	67,986,248	-	-
Deposit from customers	76,159,238	28,943,098	17,927,591	17,891,176	11,061,977	139,145	196,251	-
Certificates of deposit issued	5,378,051	-	737	10,251	518,076	4,848,987	-	-
Other liabilities	2,094,362	993,143	970,796	98,166	26,146	6,111	-	-
Total on-balance sheet liabilities	308,184,181	49,686,306	75,289,552	89,959,683	20,071,898	72,980,491	196,251	-
Total off-balance sheet liabilities	89,403,846	28,802,002	154,141	96,792	10,694,072	45,227,617	4,429,222	-
On-balance sheet assets								
Cash & balance with banks	136,780,380	27,351,289	31,509,947	42,872,152	19,508,603	13,489,931	46,699	2,001,759
Loans and advances to customers	133,788,711	14,602,374	21,602,676	7,742,108	13,997,033	68,650,122	7,140,774	53,624
Trade bills	200,734	50,814	61,019	53,318	1,211	-	-	34,372
Investment securities	32,377,825	32,377,825	-	-	-	-	-	-
Other assets	2,070,520	1,706,970	76,440	154,619	18,610	-	-	113,881
Total on-balance sheet assets	305,218,170	76,089,272	53,250,082	50,822,197	33,525,457	82,140,053	7,187,473	2,203,636
Total off-balance sheet assets	100,018,543	39,270,444	503	36,860	10,792,873	45,488,641	4,429,222	-
Net liquidity mismatch		36,871,408	(22,193,108)	(39,197,418)	13,552,360	9,420,586	6,991,222	
Cumulative liquidity mismatch		36,871,408	14,678,300	(24,519,118)	(10,966,758)	(1,546,172)	5,445,050	

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
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10. International claims

International claims disclose exposures by major countries or geographical segments of which not less than 10% of the institution's total international claims after taking into account any recognized risk transfer defined in the Return of International Banking Statistics issued by the Hong Kong Monetary Authority.

	31-Mar-2020					Total
	In HKD million					
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	
Developing Asia and Pacific	29,222	7	449	19,382	0	49,060
China	28,623	7	449	15,212	0	44,291
Developed countries	88,367	8,127	367	10,396	0	107,257
Japan	88,325	0	367	5,932	0	94,624
Offshore centres	0	0	0	27,076	0	27,076

	30-Sep-2019					Total
	In HKD million					
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	
Developing Asia and Pacific	35,249	348	455	18,614	0	54,666
China	31,865	348	455	15,110	0	47,778
Developed countries	141,637	12,500	307	9,258	0	163,702
Japan	141,524	0	304	5,459	0	147,287
Offshore centres	0	0	0	25,535	0	25,535

SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
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11. Currency risk

This information concerning the foreign currency exposures of the bank is calculated in the method set out in the Return of Foreign Currency Position issued by the Hong Kong Monetary Authority. Currencies which constitute individually 10% or more of the total net position in all foreign currencies are disclosed.

	31-Mar-2020 In HKD million	31-Mar-2020 In HKD million
	USD	Total
Spot assets	156,297	156,297
Spot liabilities	(222,490)	(222,490)
Forward purchases	183,035	183,035
Forward sales	(117,403)	(117,403)
Net option position	0	0
Net long (short) position	<u>(561)</u>	<u>(561)</u>
Net structural position	<u>0</u>	<u>0</u>

	30-Sep-2019 In HKD million	30-Sep-2019 In HKD million	30-Sep-2019 In HKD million
	USD	CNY	Total
Spot assets	230,163	5,152	235,315
Spot liabilities	(273,858)	(1,955)	(275,813)
Forward purchases	151,216	40,700	191,916
Forward sales	(105,237)	(45,804)	(151,041)
Net option position	0	0	0
Net long (short) position	<u>2,284</u>	<u>(1,907)</u>	<u>377</u>
Net structural position	<u>0</u>	<u>0</u>	<u>0</u>

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12. Consolidated group disclosures

The information set out below was based on unaudited consolidated accounts of Sumitomo Mitsui Financial Group, Inc. (the holding company of the Bank) as of 31 March 2020.

<u>Capital and Capital Adequacy</u>	<u>31-Mar-2020</u> <u>In JPY million</u>	<u>30-Sep-2019</u> <u>In JPY million</u>
Stockholder's equity	9,354,296	9,206,705
Capital adequacy ratio (1)	18.75%	20.05%
<u>Other Financial Information</u>	<u>31-Mar-2020</u> <u>In JPY million</u>	<u>30-Sep-2019</u> <u>In JPY million</u>
Total assets	219,863,518	209,446,667
Total liabilities	209,078,615	198,232,842
Total loans and advances and bills discounted	82,517,609	78,658,306
Total deposit	127,042,217	122,568,545
	<u>Half Year ended</u> <u>31-Mar-2020</u> <u>In JPY million</u>	<u>Year ended</u> <u>31-Mar-2019</u> <u>In JPY million</u>
Pre-tax profit	888,646	1,123,579

(1) The capital adequacy ratio is computed in accordance to the capital adequacy guidelines adopted by Financial Services Agency applicable to Japanese banks with international operations and has incorporated an allowance for market risk.

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13. Remuneration System

Pursuant to section 3.1.2 of Supervisory Policy Manual (CG-5) "Guideline on a Sound Remuneration System" issued by the Hong Kong Monetary Authority, Sumitomo Mitsui Banking Corporation Hong Kong Branch as an overseas incorporated Authorized Institution is not required to make separate disclosures in relation to its own remuneration system as Sumitomo Mitsui Financial Group will provide the relevant disclosures in its annual report.

14. Disclosure Statement Available to Public

Copies of the Disclosure Statement are displayed in the receptions of branches of Sumitomo Mitsui Bank, Hong Kong on 7/F, One International Finance Centre 1 Harbour View Street, Hong Kong and on 19/F, the Metropolis Tower, 10 Metropolis Drive, Kowloon.

A copy of the Disclosure Statement has been lodged with the Hong Kong Monetary Authority's Public Registry and is available on the website https://www.smbc.co.jp/global/location_oversea/hongkong/index.html for public inspection.