



SMBC SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch
Key Financial Information Disclosure Statement as of 30 September 2016

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 first half financial period ended 30 September 2016. 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.

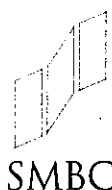
All figures reported are based on the underlying accounting records of the Branch and have been subjected to an analytical review to ensure that all figures have been correctly compiled, in all material respects, from the books and records of the Branch.

For and on behalf of
Sumitomo Mitsui Banking Corporation
Hong Kong Branch

A handwritten signature in black ink, appearing to read 'Yusuke Ono', is written over a horizontal line.

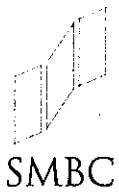
Yusuke Ono
Chief Executive

8 December 2016



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1. Income Statement	Half Year ended 30-Sep-2016 In HKD '000	Half Year ended 30-Sep-2015 In HKD '000
Net interest income	717,797	892,070
Interest income	2,357,258	1,735,160
Interest expense	(1,639,461)	(843,090)
Net fees and commissions income	221,509	215,176
Fees and commissions income	235,278	229,089
Fees and commissions expense	(13,769)	(13,913)
Other operating income	93,497	130,667
Gain less losses from trading in foreign currencies	29,482	97,882
Gain less losses from other trading activities	0	0
Others	64,015	32,785
Operating expenses	(322,239)	(311,937)
Staff expenses	(226,782)	(215,238)
Other operating expenses	(95,457)	(96,699)
Net charge for bad and doubtful debts provisions	(143)	(93)
Gains less losses from the disposal of fixed and other assets	0	(123)
Profit before taxation	710,421	925,760
Taxation charge	(7,406)	0
Profit after taxation	703,015	925,760



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2. Balance Sheet	30-Sep-2016	31-Mar-2016
	<u>In HKD '000</u>	<u>In HKD '000</u>
<u>Assets</u>		
Cash and balances with banks	10,045,617	13,049,584
Placements with banks maturing between one and twelve months	10,388,891	12,531,727
Amount due from overseas offices	128,745,628	125,594,788
Trade bills	1,218,767	913,770
Advances and other accounts	132,011,597	132,360,796
Advances to customers	124,138,551	122,255,605
Advances to banks	4,331,029	5,817,068
Accrued interest receivables and other accounts	3,542,017	4,288,123
Provisions for bad and doubtful debts	(1) (2) (125,227)	(123,513)
Investment securities	23,856,666	22,177,021
Other investments	0	0
Property and equipment	32,538	34,811
Total assets	306,174,477	306,538,984
<u>Liabilities</u>		
Deposits and balances from banks	54,736,463	84,817,525
Deposits from customers	81,328,583	68,471,768
Demand deposits and current accounts	2,588,638	1,970,752
Saving deposits	9,162,880	8,265,735
Time, call and notice deposits	69,577,065	58,235,281
Amount due to overseas offices	159,642,956	141,935,371
Certificates of deposit issued	7,144,682	5,985,497
Other liabilities	3,321,793	5,328,823
Total liabilities	306,174,477	306,538,984

(1) There were no general provisions made as of 30 September 2016 and 31 March 2016 .

(2) There were no specific provisions made for banks or other financial institutions as of 30 September 2016 and 31 March 2016 .



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

	30-Sep-2016 In HKD '000	% of advances covered by collateral	31-Mar-2016 In HKD '000	% of advances covered by collateral
(a) Breakdown by industry sectors				
Industrial, commercial and financial				
Property development	16,853,712	0.00%	19,497,721	0.00%
Property investment	9,496,473	0.00%	7,154,658	0.00%
Financial concerns	3,436,418	0.00%	3,678,394	0.00%
Stockbrokers	281,547	0.82%	390,642	0.53%
Wholesale and retail trade	12,616,725	0.00%	8,494,392	11.99%
Manufacturing	3,818,794	0.10%	4,190,867	8.42%
Transport and transport equipment	7,279,207	6.38%	7,873,108	5.39%
Recreational activities	0	0.00%	0	0.00%
Information technology	2,222,778	0.00%	2,944,417	0.00%
Others	9,705,587	0.07%	8,178,792	0.00%
Individuals	(1) 0	0.00%	0	0.00%
Total loans and advances for use in Hong Kong	65,711,241	0.73%	62,402,991	2.88%
Trade finance	230,659	0.00%	157,574	0.00%
Other loans and advances for use outside Hong Kong	58,196,651	0.78%	59,695,040	0.75%
Gross loans and advances to customers	124,138,551	0.75%	122,255,605	1.84%

(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.

	30-Sep-2016 In HKD '000	31-Mar-2016 In HKD '000
Gross advances to customers		
Hong Kong	78,803,128	79,093,350
China	12,432,532	12,379,836
Overdue advances to customers		
Hong Kong	62,504	61,596
China	48,187	48,188
Non performing advances to customers		
Hong Kong	62,504	61,596
China	48,187	48,188

(1) There were no loans and advances to individuals for the purchase of properties and credit card advances as of 30 September 2016 and 31 March 2016.



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4. Non-bank Mainland Exposures

Non-bank counterparties are identified in accordance with the method set out in the "Return of Mainland Activities" MA(BS)20 issued by the HKMA.

	30-Sep-2016 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)	30,970	2,611	33,581
2. Local governments, local government-owned entities and their subsidiaries and JVs	2,398	0	2,398
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	4,853	1,181	6,034
4. Other entities of central government not reported in item 1 above	664	331	995
5. Other entities of local government not reported in item 2 above	53	0	53
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	13,017	2,156	15,173
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	51,955	6,279	58,234
Total assets after provision	306,174		
On-balance sheet exposures as percentage of total assets	16.97%		

	31-Mar-2016 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)	24,420	1,910	26,330
2. Local governments, local government-owned entities and their subsidiaries and JVs	1,933	0	1,933
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	6,326	1,465	7,791
4. Other entities of central government not reported in item 1 above	794	300	1,094
5. Other entities of local government not reported in item 2 above	59	0	59
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	12,681	2,947	15,628
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	46,213	6,622	52,835
Total assets after provision	306,539		
On-balance sheet exposures as percentage of total assets	15.08%		



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5. Provisions for non performing advances

(1) (2)

	30-SEP-2016 In HKD '000	% of total loans & advances to customers	31-Mar-2016 In HKD '000	% of total loans & advances to customers
Non performing advances to customers	124,282	0.10%	122,395	0.10%
Specific provisions made in respect of such advances	124,060	NA	122,191	NA
Value of collateral in respect of such advances	0	NA	0	NA

6. Overdue and rescheduled assets

(3) (4)

	30-SEP-2016 In HKD '000	% of total loans & advances to customers	31-Mar-2016 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	0	0.00%	0	0.00%
more than 6 months and less than 1 year	0	0.00%	0	0.00%
more than 1 year	124,282	0.10%	122,395	0.10%
Specific provisions made in respect of such advances	124,060	NA	122,191	NA
Unsecured portion of such overdue advances	124,282	NA	122,395	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

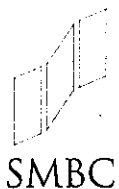
There were no repossessed assets held as of 30 September 2016 and 31 March 2016 .

(1) There were no non-performing loans and advances to banks or other financial institutions as of 30 September 2016 and 31 March 2016 .

(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 30 September 2016 and 31 March 2016 .

(4) There were no other assets for which overdue more than three months as of 30 September 2016 and 31 March 2016 .



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8. Off-balance sheet exposures

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

	<u>30-Sep-2016</u> In HKD '000	<u>31-Mar-2016</u> In HKD '000
(a) Non derivative exposures		
Direct credit substitutes	1,739,160	555,195
Transaction-related contingencies	55,374	829,409
Trade-related contingencies	896,772	716,495
Other commitments	112,956,403	123,222,347
(b) Derivative exposures		
Exchange rate contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	347,983,303	330,554,054
Interest rate contracts	117,708,089	46,009,318
Others	0	0

Fair value of each type of derivatives are disclosed.

	<u>30-Sep-2016</u> In HKD '000	<u>31-Mar-2016</u> In HKD '000
Assets		
Exchange rate contracts	1,212,623	2,605,484
Interest rate contracts	1,019,282	901,700
Others	0	0
Liabilities		
Exchange rate contracts	923,979	2,182,310
Interest rate contracts	1,002,330	933,162
Others	0	0

There was no bilateral netting agreement as of 30 September 2016 and 31 March 2016 .



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9. Liquidity maintenance ratio	Half Year ended 30-Sep-2016	Half Year ended 30-Sep-2015
The average liquidity maintenance ratio for the period	34.44%	35.74%

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 are attributable after taking into account any recognized risk transfer.

	30-Sep-2016 In HKD million				
	Banks	Official sector	Non-bank private sector	Others	Total
Developing Asia and Pacific	18,650	0	23,741	0	42,391
China	16,627	0	12,847	0	29,474
Developed countries	129,911	2,347	9,700	0	141,958
Japan	129,454	0	6,503	0	135,957

	31-Mar-2016 In HKD million				
	Banks	Official sector	Non-bank private sector	Others	Total
Developing Asia and Pacific	20,993	0	26,047	0	47,040
China	19,161	0	12,865	0	32,026
Developed countries	127,334	1,927	8,637	0	137,898
Japan	126,960	0	7,104	0	134,064



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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 HKMA. Currencies which constitute individually 10% or more of the total net position in all foreign currencies are disclosed.

	30-Sep-2016 In HKD million	30-Sep-2016 In HKD million
	USD	CNY
Spot assets	177,416	9,632
Spot liabilities	(210,171)	(6,538)
Forward purchases	186,710	70,603
Forward sales	(153,183)	(73,939)
Net option position	(21)	21
Net long (short) position	<u>751</u>	<u>(221)</u>
Net structural position	<u>0</u>	<u>0</u>

	31-Mar-2016 In HKD million	31-Mar-2016 In HKD million	31-Mar-2016 In HKD million
	USD	CNY	EUR
Spot assets	176,745	11,586	4,894
Spot liabilities	(213,783)	(6,632)	(5,021)
Forward purchases	177,304	60,705	2,858
Forward sales	(139,619)	(65,914)	(2,750)
Net option position	(197)	0	197
Net long (short) position	<u>450</u>	<u>(255)</u>	<u>178</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 30 September 2016.

<u>Capital and Capital Adequacy</u>	<u>30-Sep-2016</u> <u>In JPY million</u>	<u>31-Mar-2016</u> <u>In JPY million</u>
Stockholder's equity	7,710,928	7,454,294
Capital adequacy ratio (1)	17.45%	17.02%

<u>Other Financial Information</u>	<u>30-Sep-2016</u> <u>In JPY million</u>	<u>31-Mar-2016</u> <u>In JPY million</u>
Total assets	179,972,782	186,585,842
Total liabilities	169,530,819	176,138,173
Total loans and advances and bills discounted	75,966,141	75,066,080
Total deposit	110,746,141	110,668,828

	<u>Half Year ended</u> <u>30-Sep-2016</u> <u>In JPY million</u>	<u>Half Year ended</u> <u>30-Sep-2015</u> <u>In JPY million</u>
Pre-tax profit	541,066	630,832

(1) The ratio is calculated pursuant to the Banking Law of Japan issued by the Japanese Financial Services Agency in 2006.



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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.