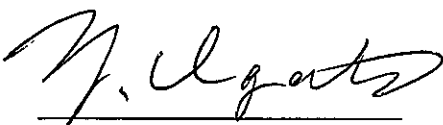


**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

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 2018. 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



Yoshiyuki Ogata  
Chief Executive

3 December 2018

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

<b>1. Income Statement</b>	Half Year ended 30-Sep-2018 <u>In HKD '000</u>	Half Year ended 30-Sep-2017 <u>In HKD '000</u>
Net interest income	615,080	603,790
Interest income	5,417,106	3,648,621
Interest expense	(4,802,026)	(3,044,831)
Net fees and commissions income	178,351	148,827
Fees and commissions income	203,318	167,090
Fees and commissions expense	(24,967)	(18,263)
Other operating income	81,950	28,050
Gain less losses from trading in foreign currencies	56,966	24,032
Gain less losses from other trading activities	0	781
Others	24,984	3,237
Operating expenses	(347,044)	(322,192)
Staff expenses	(247,610)	(230,381)
Other operating expenses	(99,434)	(91,811)
Net charge for bad and doubtful debts provisions	54	116
Gains less losses from the disposal of fixed and other assets	0	(34)
Profit before taxation	528,391	458,557
Taxation charge	(8)	0
Profit after taxation	528,383	458,557

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
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<b>2. Balance Sheet</b>	<b>30-Sep-2018</b>	<b>31-Mar-2018</b>
	<u>In HKD '000</u>	<u>In HKD '000</u>
<u>Assets</u>		
Cash and balances with banks	7,585,894	12,015,411
Placements with banks maturing between one and twelve months	18,801,431	11,280,870
Amount due from overseas offices	115,877,486	122,023,001
Trade bills	1,438,067	379,688
Advances and other accounts	139,585,130	133,708,494
Advances to customers	131,169,882	125,368,072
Advances to banks	4,578,689	4,197,689
Accrued interest receivables and other accounts	3,836,559	4,142,733
Provisions for bad and doubtful debts	(1) (2) (67,705)	(67,892)
Investment securities	34,649,406	29,342,576
Other investments	0	0
Property and equipment	32,472	33,772
<b>Total assets</b>	<u><b>317,902,181</b></u>	<u><b>308,715,920</b></u>
<u>Liabilities</u>		
Deposits and balances from banks	33,299,823	23,903,798
Deposits from customers	73,168,243	80,373,556
Demand deposits and current accounts	2,423,209	2,285,871
Saving deposits	11,776,582	10,079,766
Time, call and notice deposits	58,968,452	68,007,919
Amount due to overseas offices	203,475,160	195,465,347
Certificates of deposit issued	4,187,519	4,486,693
Other liabilities	3,771,436	4,486,526
<b>Total liabilities</b>	<u><b>317,902,181</b></u>	<u><b>308,715,920</b></u>

(1) There were no general provisions made as of 30 September 2018 and 31 March 2018 .

(2) There were no specific provisions made for banks or other financial institutions as of 30 September 2018 and 31 March 2018 .

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

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

	30-Sep-2018 In HKD '000	% of advances covered by collateral	31-Mar-2018 In HKD '000	% of advances covered by collateral
<u>(a) Breakdown by industry sectors</u>				
Industrial, commercial and financial				
Property development	24,466,336	0.00%	26,387,401	0.00%
Property investment	3,619,678	0.00%	4,120,490	0.00%
Financial concerns	4,583,925	0.00%	4,539,781	0.00%
Stockbrokers	198,116	1.04%	490,840	0.45%
Wholesale and retail trade	10,757,746	0.00%	7,709,260	0.00%
Manufacturing	3,675,964	0.00%	3,477,283	1.45%
Transport and transport equipment	5,917,544	4.40%	6,086,653	4.36%
Recreational activities	0	0.00%	0	0.00%
Information technology	1,215,700	0.00%	1,256,850	0.00%
Others	8,834,625	0.05%	7,026,461	0.07%
Individuals	(1) 0	0.00%	0	0.00%
Total loans and advances for use in Hong Kong	63,269,634	0.42%	61,095,019	0.53%
Trade finance	2,660,093	0.00%	2,303,955	0.00%
Other loans and advances for use outside Hong Kong	65,240,155	2.57%	61,969,098	2.18%
Gross loans and advances to customers	<u>131,169,882</u>	1.48%	<u>125,368,072</u>	1.34%

(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-2018 In HKD '000	31-Mar-2018 In HKD '000
Gross advances to customers		
Hong Kong	85,970,664	79,229,742
China	13,982,963	16,634,087
Overdue advances to customers		
Hong Kong	53,800	53,849
China	9,498	9,530
Non performing advances to customers		
Hong Kong	53,800	53,849
China	9,498	9,530

(1) There were no loans and advances to individuals for the purchase of properties and credit card advances as of 30 September 2018 and 31 March 2018.

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
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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-2018 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)	36,497	4,127	40,624
2. Local governments, local government-owned entities and their subsidiaries and JVs	1,120	0	1,120
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	6,856	2,550	9,406
4. Other entities of central government not reported in item 1 above	5,229	336	5,565
5. Other entities of local government not reported in item 2 above	1,091	0	1,091
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	16,560	1,017	17,577
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
<b>Total</b>	<b>67,353</b>	<b>8,030</b>	<b>75,383</b>
Total assets after provision	317,902		
On-balance sheet exposures as percentage of total assets	21.19%		

	31-Mar-2018 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)	31,526	3,495	35,021
2. Local governments, local government-owned entities and their subsidiaries and JVs	1,557	0	1,557
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	2,032	741	2,773
4. Other entities of central government not reported in item 1 above	2,731	91	2,822
5. Other entities of local government not reported in item 2 above	1,129	219	1,348
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	17,289	1,985	19,274
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
<b>Total</b>	<b>56,264</b>	<b>6,531</b>	<b>62,795</b>
Total assets after provision	308,716		
On-balance sheet exposures as percentage of total assets	18.23%		

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

**5. Provisions for non performing advances**

(1) (2)

	30-SEP-2018 In HKD '000	% of total loans & advances to customers	31-MAR-2018 In HKD '000	% of total loans & advances to customers
Non performing advances to customers	67,868	0.05%	68,085	0.05%
Specific provisions made in respect of such advances	67,703	NA	67,890	NA
Value of collateral in respect of such advances	0	NA	0	NA

**6. Overdue and rescheduled assets**

(3) (4)

	30-SEP-2018 In HKD '000	% of total loans & advances to customers	31-MAR-2018 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	67,868	0.05%	68,085	0.05%
Specific provisions made in respect of such advances	67,703	NA	67,890	NA
Unsecured portion of such overdue advances	67,868	NA	68,085	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 2018 and 31 March 2018 .

(1) There were no non-performing loans and advances to banks or other financial institutions as of 30 September 2018 and 31 March 2018 .

(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 2018 and 31 March 2018 .

(4) There were no other assets for which overdue more than three months as of 30 September 2018 and 31 March 2018 .

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

**8. Off-balance sheet exposures**

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

	<u>30-Sep-2018</u> In HKD '000	<u>31-Mar-2018</u> In HKD '000
<b>(a) Non derivative exposures</b>		
Direct credit substitutes	3,826,879	3,340,682
Transaction-related contingencies	409,484	110,103
Trade-related contingencies	1,601,632	689,414
Other commitments	143,353,679	114,675,523
<b>(b) Derivative exposures</b>		
Exchange rate contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	311,072,134	255,910,376
Interest rate contracts	132,532,157	83,040,276
Others	0	70,000

Fair value of each type of derivatives are disclosed.

	<u>30-Sep-2018</u> In HKD '000	<u>31-Mar-2018</u> In HKD '000
<b>Assets</b>		
Exchange rate contracts	1,926,941	2,681,614
Interest rate contracts	458,505	529,929
Others	0	948
<b>Liabilities</b>		
Exchange rate contracts	1,641,503	2,194,141
Interest rate contracts	414,531	500,715
Others	0	0

There was no bilateral netting agreement as of 30 September 2018 and 31 March 2018 .

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

**9. Liquidity information disclosures**

**Liquidity Risk Management**

Sumitomo Mitsui Banking Corporation, Hong Kong Branch ("the Branch") adopts the Bank's Global Policy for Fund Liquidity Risk Management 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 for Fund Liquidity Risk Management, local Statement of Liquidity Management Policy and Procedures for Monitoring Liquidity Maintenance Ratio have also been formulated and documented 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. The local policies are reviewed and approved by the senior management and ALM members on an annual basis to address any changes in 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.

**Liquidity maintenance ratio ("LMR")**

	30-Sep-2018	30-Sep-2017
The average LMR for the quarter ended	<u>35.66%</u>	<u>31.84%</u>

	30-Jun-2018	30-Jun-2017
The average LMR for the quarter ended	<u>32.04%</u>	<u>33.47%</u>

**Core funding ratio ("CFR")**

	30-Sep-2018	30-Sep-2017
The average CFR for the quarter ended	<u>86.63%</u>	<u>NA</u>

	30-Jun-2018	30-Jun-2017
The average CFR for the quarter ended	<u>87.53%</u>	<u>NA</u>



**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

**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-2018				Total
	In HKD million				
	Banks	Official sector	Non-bank private sector	Others	
Developing Asia and Pacific	27,478	0	17,660	0	45,138
China	24,732	0	14,425	0	39,157
Developed countries	117,269	3,942	9,299	0	130,510
Japan	116,533	0	5,682	0	122,215
Offshore centres	12	0	19,999	0	20,011

	31-Mar-2018				Total
	In HKD million				
	Banks	Official sector	Non-bank private sector	Others	
Developing Asia and Pacific	20,275	0	21,491	0	41,766
China	19,715	0	17,045	0	36,760
Developed countries	123,683	3,957	9,418	0	137,058
Japan	122,549	0	6,333	0	128,882

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

**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-2018 In HKD million	30-Sep-2018 In HKD million	30-Sep-2018 In HKD million	30-Sep-2018 In HKD million
	USD	JPY	EUR	CNY
Spot assets	174,441	14,725	2,171	5,094
Spot liabilities	(225,714)	(13,040)	(1,896)	(3,560)
Forward purchases	178,352	31,767	714	35,644
Forward sales	(126,959)	(33,393)	(948)	(36,979)
Net option position	(32)	(12)	12	0
Net long (short) position	<u>88</u>	<u>47</u>	<u>53</u>	<u>199</u>
Net structural position	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	31-Mar-2018 In HKD million			
	USD			
Spot assets	167,594			
Spot liabilities	(220,927)			
Forward purchases	148,247			
Forward sales	(94,473)			
Net option position	0			
Net long (short) position	<u>441</u>			
Net structural position	<u>0</u>			

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
**Key Financial Information Disclosure Statement as of 30 September 2018**

**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 2018.

<u>Capital and Capital Adequacy</u>	<u>30-Sep-2018</u> <u>In JPY million</u>	<u>31-Mar-2018</u> <u>In JPY million</u>
Stockholder's equity	8,914,594	8,637,039
Capital adequacy ratio (1)	19.75%	19.36%
<u>Other Financial Information</u>	<u>30-Sep-2018</u> <u>In JPY million</u>	<u>31-Mar-2018</u> <u>In JPY million</u>
Total assets	206,987,762	199,049,128
Total liabilities	195,215,088	187,436,236
Total loans and advances and bills discounted	75,939,685	72,945,934
Total deposit	119,385,639	116,477,534
	<u>Half Year ended</u> <u>30-Sep-2018</u> <u>In JPY million</u>	<u>Half Year ended</u> <u>30-Sep-2017</u> <u>In JPY million</u>
Pre-tax profit	675,155	612,020

(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.

**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
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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.