

## **Organizational Revision of SMFG and SMBC**

Tokyo, March 26, 2014 --- Sumitomo Mitsui Financial Group, Inc. (SMFG, President: Koichi Miyata) and Sumitomo Mitsui Banking Corporation (SMBC, President and CEO: Takeshi Kunibe) today announced changes to the organizational structure of SMFG and SMBC as below, effective as of April 1, 2014.

### **I. Restructuring of Domestic Business**

Domestic business operations will be restructured, effective as of April 1, 2014, on a scale not seen since the inception of SMBC in order to further enhance our capability to meet the needs of our clients and deliver higher value-added products and services by revising client segmentation and restructuring business models accordingly.

Under the new structure, Block Consumer Business Offices in charge of consumer banking clients will be abolished and reorganized into “Area Main Offices” that will manage retail banking operations. Further, the number of Corporate Banking Departments in charge of large corporate clients will be increased

Head-office departments and other banking offices will be partially reorganized in line with the new structure.

#### **1. Reorganization of Domestic Business Units (SMBC)**

(Please refer to the diagram at the end of this announcement.)

The three domestic business units – Consumer Banking Unit, Middle Market Banking Unit and Corporate Banking Unit – will be reorganized into two units – “Retail Banking Unit” and “Wholesale Banking Unit” – in order to enhance our capability to serve our large corporate clients as well as develop new businesses through the integration of consumers and part of commercial banking operations.

Further, regarding domestic corporate clients, “Global Corporate Banking Division” (GLCBD) and “Corporate Banking Division” (CBD) will be newly established within the Wholesale Banking Unit in order to promote a client segment-based business model. GLCBD will manage banking offices serving mainly large corporate clients, and CBD will manage those serving mainly middle market corporate clients.

“Small and Medium Enterprises Banking Division, Retail Banking Unit” will be newly established to manage businesses with SME clients.

## **2. Reorganization of Head-Office Departments**

### **(1) Wholesale Banking Unit (SMBC)**

“Planning Department, Wholesale Banking Unit” (PDWSB) will be newly established to manage the Unit. Further, “Global Corporate Banking Department” (GCB) will be established as a sub-department of PDWSB to strengthen our capability in large corporate banking business. GCB will plan and promote initiatives to reinforce the collaboration between SMBC and SMBC Nikko Securities Inc. and also between SMBC domestic and overseas banking offices.

Corporate Business Strategy Planning Department, a sub-department of Planning Department, Corporate Banking Unit & Middle Market Banking Unit that was established to assess corporate client businesses from a long-term perspective, will be abolished and its function will be transferred to PDWSB.

Strategic Corporate Business Department (SCBD) will succeed the function of Small and Medium Enterprises Marketing Department (SMED) related to supporting growth companies. SCBD will support both the Wholesale and Retail Banking Units and provide tailored solutions to their respective corporate clients.

### **(2) Retail Banking Unit and Private Advisory Division (SMBC)**

#### **Transfer of SME Business to Retail Banking Unit**

“Planning Department, Retail Banking Unit” (PDRTB) will be newly established to manage the Unit. Consumer Compliance Department and Consumer Facilitating Financing Department, sub-departments of Planning Department, Consumer Banking Unit, will be renamed “Retail Compliance Department” and “Retail Facilitating Financing Department,” respectively, and become sub-departments of PDRTB.

“Small and Medium Enterprises Planning Department, Retail Banking Unit” will be established to manage the SME business, succeeding the function from SMED. Credit Department, Consumer Banking Unit, and Small Enterprises Credit Portfolio Administration Department, a sub-department of SMED, will be integrated to form “Credit Department, Retail Banking Unit.”

The functions of Retail Human Resources Department, Consumer Banking Unit, will be reinforced, and the department will be renamed “Retail Human Resources Department, Retail Banking Unit,” and become a sub-department of PDRTB.

#### **Consolidation of Marketing Functions by Client Segment and Reinforcement of Product Development Function**

“Private Banking Planning Department” will be newly established as a sub-department of Private Advisory Business Department, Private Advisory Division in order to strengthen the private banking business on a group-wide basis.

Marketing Department, and Securities Business Collaboration Planning

Department, sub-departments of Planning Department, Consumer Banking Unit, will be reorganized into “Life Planning Business Department,” (LPBD) and “Wealth Management Business Department,” (WMBD), respectively, and become sub-departments of PDRTB. LPBD will manage businesses related to two client segments: asset-building clients and mass retail clients. WMBD will manage high net worth client segment and collaboration between banking and securities businesses.

Financial Consulting Department, Consumer Banking Unit, and Retail Business Department, Consumer Banking Unit, will be reorganized and established as “Financial Products Department, Retail Banking Unit” (FPD) and “Loan Department, Retail Banking Unit” (LD). FPD will be in charge of deposits, settlements and payments, asset management and other products. LD will be in charge of mortgages and other consumer loan products. Consumer Loan Department will be abolished and “Area Support Departments” will be established as sub-departments of FPD and LD.

### **Consolidation of Business Promotion Support Functions**

“Business Promotion Department, Retail Banking Unit” will be newly established in order to strengthen the support for banking offices in business promotion as well as staff education and training.

## **II. Other Organizational Revisions**

### **1. Wholesale Business**

#### **(1) Reinforcement of Initiatives on Growth Industries (SMBC)**

Growth Industry Cluster Department (GICD), a sub-department of Project & Export Finance Department, will be reinforced and become an independent head-office department.

Further, in order to strengthen collaboration with Corporate Advisory Division which manages industry-wide intelligence, GICD will belong to both the Investment Banking Unit and Corporate Advisory Division.

#### **(2) Reinforcement of Real Estate Related Business (SMBC)**

The Real Estate Finance Department (REFD), Investment Banking Unit, will belong to the Wholesale Banking Unit as well, in order to strengthen the real estate related business. Further, the function of SCBD related to the collection of real estate information and business promotion will be integrated into REFD.

### **2. Global Business and Transaction Business**

#### **(1) Reinforcement of Business in Asia (SMBC)**

Business operations in Asia, a region which is expected to maintain high growth, will be reinforced in terms of business planning and promotion as well as risk

management.

### **Reinforcement of Asia Strategy Planning**

“Asia Strategy Department” will be established as a sub-department of Planning Department, International Banking Unit (PDINB) to develop, implement and promote medium- to long-term business strategies in Asia. Global Business Strategy Department, a sub-department of PDINB, will be abolished, accordingly.

### **Reinforcement of Risk Management and Operational Management in Asia Pacific Region**

“Risk Management Department, Asia Pacific Division” (RMAPD) will be newly established to strengthen risk management in the Asia Pacific region where business is expanding. RMAPD will succeed the risk management functions (enterprise, credit, market and liquidity risks) of the Planning Department, Asia Pacific Division and implement measures to further improve risk management.

“Business Control Department, Asia Pacific Division” will be newly established to conduct middle and back office operations of the Singapore office as well as support and supervise operations of other offices of Asia Pacific Division.

### **(2) Reinforcement of Aircraft Related Business (SMBC)**

“Global Aircraft Finance Department, International Banking Unit” (GAFD) will be newly established to promote and strengthen aircraft related businesses on a global basis. Aircraft related front-office operations of overseas banking offices will be integrated into GAFD, and overseas aircraft credit function will be integrated into “Global Aircraft Credit Department” that will be newly established as a sub-department of Credit Department, Europe, Middle East and Africa Division, International Banking Unit.

### **(3) Reinforcement of Transaction Banking Business Planning (SMBC)**

To further strengthen the transaction banking business and integrate strategy and planning functions, Transaction Business Planning Department, Corporate Staff Unit, will be reorganized to become part of Transaction Business Division, Retail Banking Unit, Wholesale Banking Unit & International Banking Unit (TBD). TBD will be in charge of bank-wide strategy, planning and promotion of the transaction banking business.

## **3. Enhancement of Corporate Infrastructure**

### **(1) Global Human Resources (SMBC)**

“Global Human Resources Department” (GHRD) will be newly established as a sub-department of Human Resources Department in order to manage and develop human capital in line with the globalization of business.

**(2) Risk Data Aggregation and Risk Reporting (SMBC)**

“Risk Management Information Department” will be newly established as a sub-department of Corporate Risk Management Department to enhance the risk data aggregation and reporting function to deal with the global financial regulatory reform.

**(3) Inter-market Settlement Capability (SMBC)**

SMBC Market Service, a wholly-owned subsidiary of SMBC, will merge into SMBC effective as of April 1, 2014. In connection with this merger, “Inter-Market Settlement Department” will be newly established within the Corporate Services Unit to quickly deal with the development of custom-made products and design procedures for individual transactions as well as develop professionals.

**(4) Abolition of Risk Management System Department (SMBC)**

Risk Management System Department (RMSD), a sub-department of Corporate Risk Management Department which was established to facilitate communication and the division of operations between the Corporate Risk Management Department and IT Planning Department regarding the creation of risk management system, will be abolished as it has served its purpose.

**(5) Establishment of Group Cost Control Department (SMFG)**

“Group Cost Control Department” (GCCD) will be established within the General Affairs Department (GAD) of SMFG to control costs on a group-wide basis and strengthen our medium- to long-term cost competitiveness. Functions of GAD related to group real estate management will also be integrated into GCCD.

New Organization of SMFG  
(As of April 1, 2014)

Shareholders'  
Meeting

**Board of Directors**

- Auditing Committee
- Risk Management Committee
- Compensation Committee
- Nominating Committee

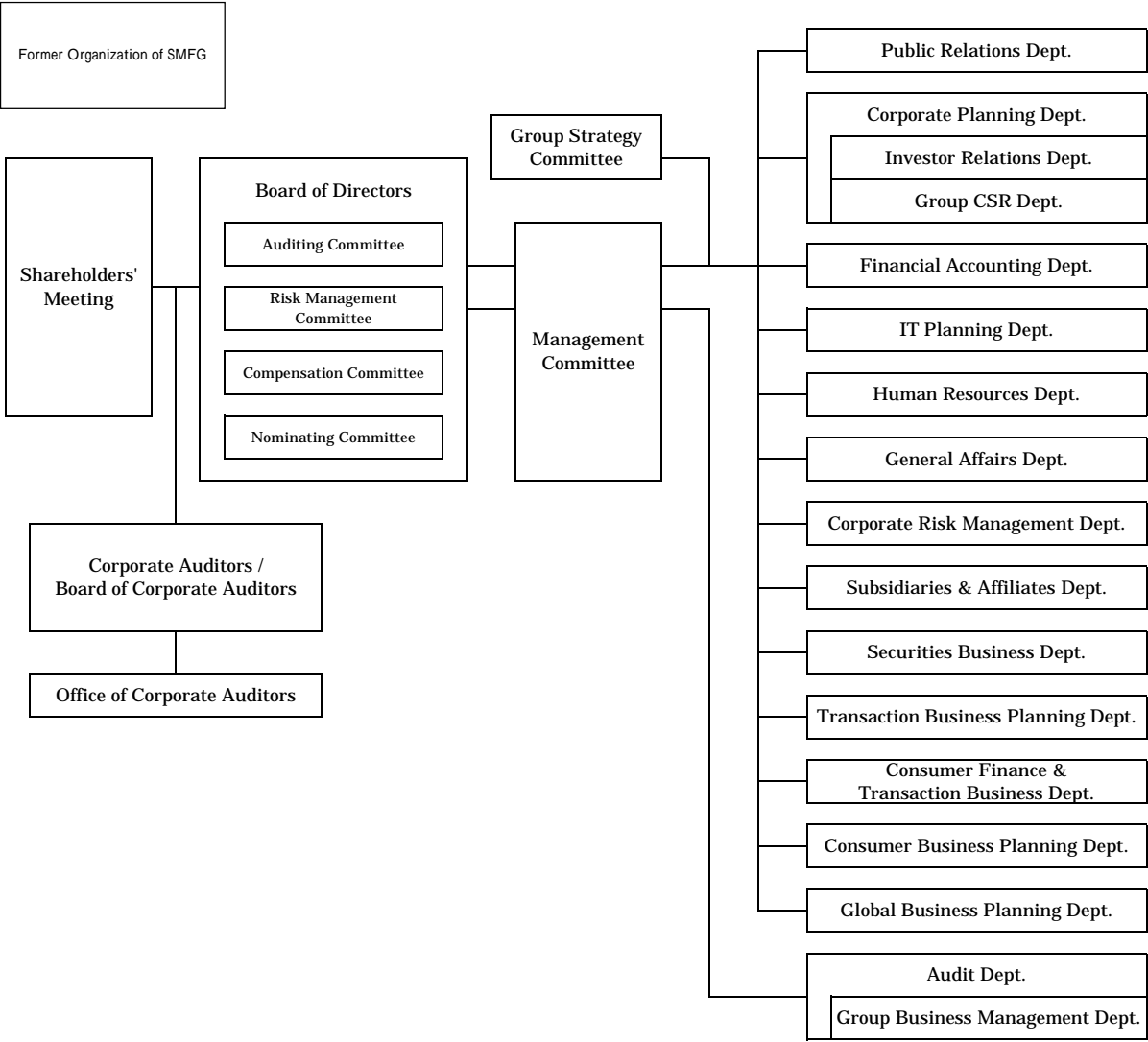
Group Strategy  
Committee

Management  
Committee

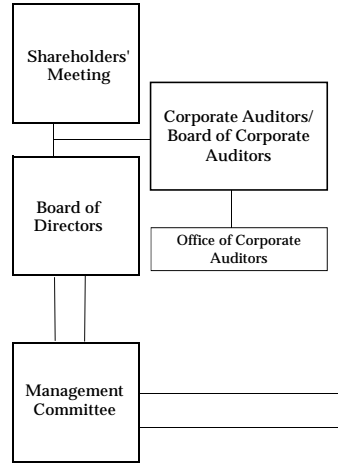
Corporate Auditors /  
Board of Corporate Auditors

Office of Corporate Auditors

- Public Relations Dept.
- Corporate Planning Dept.
  - Investor Relations Dept.
  - Group CSR Dept.
- Financial Accounting Dept.
- IT Planning Dept.
- Human Resources Dept.
- General Affairs Dept.
  - Group Cost Control Dept.
- Corporate Risk Management Dept.
- Subsidiaries & Affiliates Dept.
- Securities Business Dept.
- Transaction Business Planning Dept.
- Consumer Finance & Transaction Business Dept.
- Consumer Business Planning Dept.
- Global Business Planning Dept.
- Audit Dept.
  - Group Business Management Dept.



New Organization of SMBC  
(As of April 1, 2014)



**Internal Audit Unit**

Internal Audit Dept.
Credit Review Dept.

**Corporate Staff Unit**

Public Relations Dept.
Corporate Planning Dept.
Financial Research Dept.
CSR Dept.
Financial Accounting Dept.
Equity Portfolio Management Dept.
Subsidiaries & Affiliates Dept.
IT Planning Dept.
Consolidated Data Management Dept.
Human Resources Dept.
Training Institute
Counseling Dept.
Diversity and Inclusion Dept.
Global Human Resources Department
Human Resources Development Dept.
Quality Management Dept.
Customer Relations Dept.
Consumer Finance & Transaction Business Dept.
Securities Business Dept.

**Risk Management Unit**

Corporate Risk Management Dept.
Risk Management Information Dept.
Credit & Investment Planning Dept.
Credit Portfolio Management Dept.

**Compliance Unit**

General Affairs Dept.
Financial Products Compliance Dept.
Financial Crime Prevention Dept.
International Compliance Dept.
Legal Dept.

**Corporate Services Unit**

Administrative Services Dept.
Secretariat
Corporate Real Estate Management Dept.
Operations Planning Dept.
Operations Support Dept.
Inter-Market Settlement Dept.

**Retail Banking Unit**

Planning Dept., Retail Banking Unit
Life Planning Business Dept.
Wealth Management Business Dept.
Retail Compliance Dept.
Next W-ing Project Dept.
Retail Facilitating Financing Dept.
Retail Human Resources Dept.
Business Promotion Dept., Retail Banking Unit
Small and Medium Enterprises Planning Dept.
Financial Products Dept., Retail Banking Unit
Area Support Dept.
Area Support Dept.
Loan Dept., Retail Banking Unit
Credit Dept., Retail Banking Unit

**Strategic Corporate Business Dept.**

**Wholesale Banking Unit**

Planning Dept., Wholesale Banking Unit
Middle Market Facilitating Financing Dept.
South China Dept.
Global Corporate Banking Dept.
Public & Financial Institutions Banking Dept., Wholesale Banking Unit
Real Estate Finance Dept. 1
Corporate Credit Dept.
Structured Finance Credit Dept.
Credit Dept. I, Wholesale Banking Unit
Credit Dept. II, Wholesale Banking Unit
Credit Administration Dept.

**International Banking Unit**

Planning Dept., International Banking Unit
IT & Business Administration Planning Dept.
Asia Pacific Training Dept.
Aviation Capital Dept.
Asia Strategy Dept.
Planning Dept., Americas Division
Credit Dept., Americas Division
Risk Management Dept., Americas Division
Compliance Dept., Americas Division
Planning Dept., Europe Division
Legal and Compliance Dept., Europe Division
Credit Dept., Europe Division
Global Aircraft Credit Dept.
Risk Management Dept., Europe Division
Planning Dept., Asia Pacific Division
Asia Credit Dept., International Banking Unit
Risk Management Dept., Asia Pacific Division
Emerging Markets Business Division
Credit Management Dept., International Banking Unit
Environment Analysis Dept., International Banking Unit

**Treasury Unit**

Planning Dept., Treasury Unit
Treasury Dept.
International Treasury Dept.
Trading Dept.
Treasury Marketing Dept.

**Investment Banking Unit**

Planning Dept., Investment Banking Unit
Syndication Dept.
Project & Export Finance Dept.
Growth Industry Cluster Dept. 2
Structured Finance Dept.
Shipping Finance Dept.
Global Securities Business Dept.
Financial Solution Dept.
Real Estate Finance Dept. 1
M&A Advisory Services Dept.
Merchant Banking Dept.
Financial Products Dept.
Securities Direct Sales Dept.
Trust Services Dept.
Trust Business Operations Dept.
Stock Execution Dept.
Investment Banking Dept., Asia
Financial Solution Dept., Asia

Small and Medium Enterprises Banking Division

Area Main Office

Branch

Consumer Loan Promotion Office
Apartment House Loan Promotion Office
Loan Promotion & Support Office
Loan Support Office
Private Banking Dept.
Remote Marketing Dept.
Call Center
Consumer Finance Promotion Office
Business Support Office

**Business Promotion Office**

Corporate Banking Division

Middle Market Banking Division

Corporate Business Office
Business Promotion Office
Financial Development Office
Credit Business Office
Real Estate Corporate Business Office
Public Institutions Business Office

Global Corporate Banking Division

Tokyo Corporate Banking Division

Osaka Corporate Banking Division

Nagoya Corporate Banking Division

Corporate Banking Dept.

Americas Division

Europe Division

Asia Pacific Division

Global Institutional Banking Dept.
Global Client Business Dept.
Global Corporate Investment Dept.
Global Trade Finance Dept.
Global Supply Chain Finance Dept.
Global Aircraft Finance Dept.
Branches/Representative Offices in North East Asia
Departments of Americas Division
Departments of Europe Division
Branches/Representative Offices in Asia Pacific Division

1 Belongs to both Investment Banking Unit and Wholesale Banking Unit.

2 Belongs to both Investment Banking Unit and Corporate Advisory Division.

3

Corporate Advisory Division
Advisory Dept.
Advisory Dept.
Advisory Dept.
Corporate Research Dept.
Growth Industry Cluster Dept. 2

4

Private Advisory Division
Private Advisory Business Dept.
Private Banking Planning Dept.
Testamentary Trust Dept.
Corporate Employees Business Dept.
Defined Contribution Dept.

5

Transaction Business Division
Transaction Business Planning Dept.
Asset Finance Dept.
Transaction Banking Dept.
Global Transaction Banking Dept.
Global Advisory Dept.

Branch Service Office
Head/Main Service Office
Public Institutions Operations Office



# Former Organization of SMBC

