

September 5, 2014

Sumitomo Mitsui Banking Corporation

Additional Investment in The Bank of East Asia, Limited

TOKYO, September 5, 2014 --- Sumitomo Mitsui Banking Corporation (SMBC, President & CEO: Takeshi Kunibe) announced today that it has entered into a non-binding Memorandum of Understanding (MoU) with The Bank of East Asia, Limited (BEA, Chairman & Chief Executive: Dr. David K. P. Li) to increase its investment in BEA, one of the largest commercial banks in Hong Kong, through a subscription of some 222,000,000 new shares, subject to certain regulatory approvals being obtained, after which the two banks will commence discussions on entering into legally binding definitive documentation reflecting the detailed terms and conditions of the proposed subscription (“Definitive Agreements”).

SMBC currently holds 9.6% of the total issued shares of BEA. Upon the completion of the proposed subscription, it will hold approximately 17.5% of the then total issued shares of BEA. In addition, subject to relevant approvals being obtained, SMBC plans to have a representative of SMBC on the board of BEA.

1. Summary of MoU

- (1) Number of Shares : Some 222,000,000 shares, which would increase SMBC's investment in BEA to approximately 17.5% of BEA's then total issued shares
- (2) Subscription Price : To be determined by reference to the volume weighted average price of BEA shares as quoted on the Hong Kong Stock Exchange over a prescribed period before the Definitive Agreements are entered into
- (3) Subscription Conditions : Regulatory approvals, the conclusion of the Definitive Agreements, and the fulfillment or waiver of all conditions precedent of the Definitive Agreements
- (4) Subscription Schedule : Upon receiving regulatory approval

2. Company Profile: The Bank of East Asia

Year Founded : 1918

Headquarters Location : 10 Des Voeux Road Central, Hong Kong

Global Network : 89 branches in HKSAR, 126 branches in PRC and 9 branches in other locations *

Total Assets : HKD805,349,000,000 (JPY 10 trillion equivalent)*

Capital Adequacy Ratio : Tier 1 capital ratio – 12.2% and total capital ratio – 15.7%*

Listing : Hong Kong Stock Exchange

Ratings : A (S&P), A2 (Moody's)

*As of June 30, 2014