

【NEWS RELEASE】

October 18, 2019

Sumitomo Mitsui Banking Corporation

Completion of a Proof of Concept (“PoC”) Utilizing Blockchain-Based Trade Finance Platform Employing Actual Trade Flow

TOKYO. October 18, 2019 --- Sumitomo Mitsui Banking Corporation (“SMBC”, President and CEO: Makoto Takashima) and Mitsui & Co., Ltd. (“Mitsui & Co.”, President and Chief Executive Officer: Tatsuo Yasunaga) have successfully completed a PoC utilizing Marco Polo, a blockchain-based trade finance platform developed by R3 LLC. (Chief Executive Officer: David Rutter) and TradeIX Limited (Chief Executive Officer: Rob Barnes).

The PoC was conducted based on actual cross-border trade flow involving Mitsui & Co., Indorama Ventures Group (“Indorama”, a client of Mitsui & Co.), Bangkok Bank Public Company Limited (“Bangkok Bank”, a Marco Polo member firm), and SMBC. Traditionally, the parties’ exchange of purchase orders, invoices and various other documents are paper based. Now, by utilizing Marco Polo Platform this process has become digitalized and automated. Through the PoC, each party was now able to update data pertaining to purchase orders, invoices, and shipping such as the logistics company name, port of loading/destination, shipping dates, etc. based on the most up-to-date information, and at the same time share this data with other parties in real-time. In addition, it was confirmed that Bangkok Bank was able to issue a payment guarantee for Indorama to Mitsui & Co., and Mitsui & Co. could request receivables financing from SMBC based on the payment guarantee through the Marco Polo Platform if necessary. By auto-matching data via the platform, it was possible to enhance the efficiency of data reconciliation and demonstrate the possibilities of utilizing a blockchain-based trade finance platform.

Following the January 2019 PoC, SMBC has been preparing for the commercial introduction of Marco Polo and we expect to commence the use of the platform starting in Q3 FY2019. SMBC will become a leading provider of next-generation global trade finance solutions by continuing to streamline operational processes and leverage blockchain technology to add further value to our services.