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Sumitomo Mitsui Banking Corporation

SMBC COMPLETES ITS FIRST AIRCRAFT FINANCE LEASE TRANSACTION VALUED AT USD120 MILLION

Transaction in India's GIFT City partly finances Air India's purchase of an A350-900 aircraft from Airbus, delivered in October 2023

Mumbai, 20 Dec 2023: Sumitomo Mitsui Banking Corporation (SMBC) has recently closed a USD120 million aircraft secured debt facility through its Singapore Branch, to finance the purchase of an A350-900 aircraft delivered by Airbus to Air India.

SMBC was the sole bank in the transaction. The transaction was orchestrated with the assistance of Air India's wholly owned subsidiary in Gujarat International Finance Tec-City (GIFT City), AI Fleet Services Ltd, as part of Air India's order of 470 aircrafts placed earlier this year. Air India has also put in the equity component for the aircraft.

Commenting on the transaction, **Mr. Hiroyuki Mesaki, Country Head of SMBC India**, said "The deal contributes to SMBC's strong credentials globally in the aviation transportation business, with the onboarding of Tata Group-owned Air India into the bank's portfolio. SMBC Group is pleased to expand upon its long-established relationship with Tata Group through this deal. Through an innovative GIFT City structure, we have successfully completed this aircraft secured debt facility amid a fast-growing Indian market, marking the bank's first aircraft finance lease transaction of its kind."

Nipun Aggarwal, Chief Commercial and Transformation Officer at Air India mentioned, "We are pleased to partner with SMBC in this financing of an A350-900 aircraft, which is among the first deliveries of our large aircraft order. This transaction is also a major step in expanding our aircraft financing business through GIFT City, India's first International Financial Services Centre (IFSC)."

India is the fifth largest aviation market globally, backed by the emergence of a large and growing middle-class willing to travel. Significant growth in the sector is expected to continue, as evidenced by the large orders placed across the Indian aviation industry to satisfy rising demand. This deal will further aid SMBC in penetrating the fast-growing aviation market.

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About SMBC

Headquartered in Tokyo, Sumitomo Mitsui Banking Corporation (SMBC) is a leading global financial institution and a core member of Sumitomo Mitsui Financial Group (SMBC Group). Built upon our rich Japanese heritage since 1876, we put our customers first and provide seamless access to, from and within the Asia Pacific region.

SMBC is one of the largest Japanese banks by assets, with over ¥238,700 billion in total assets and strong credit ratings across our global integrated network spanning 39 countries and territories, 15 of which are here in the region. Our regional reach extends from corporate and institutional companies to individual customers supported by our Multi-Franchise Strategy in Indonesia, India, Vietnam and the Philippines. We work closely as one SMBC Group to offer personal, corporate and investment banking services to meet the needs of our customers.

With sustainability embedded within our strategy and operations, we are committed to creating a society in which today's generation can enjoy economic prosperity and well-being, and pass it on to future generations.

To learn more, visit: www.smbc.co.jp/asia