

SMBC

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

**Key Financial Information Disclosure Statement as of 31 March 2016**

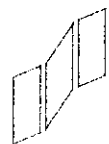
Sumitomo Mitsui Banking Corporation, Hong Kong Branch with its principal activities of the provision of banking and related financial services is pleased to release the Key Financial Information Disclosure Statement for the financial period ended 31 March 2016. The information contained therein is in 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

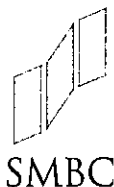
Yusuke Ono  
Chief Executive

24 June 2016



**SUMITOMO MITSUI BANKING CORPORATION, Hong Kong Branch**  
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<b>1. Income Statement</b>	<b>Year ended 31-Mar-2016 In HKD '000</b>	<b>Year ended 31-Mar-2015 In HKD '000</b>
Net interest income	1,754,220	1,956,035
Interest income	3,794,403	3,605,817
Interest expense	(2,040,183)	(1,649,782)
Net fees and commissions income	517,361	447,741
Fees and commissions income	546,576	479,409
Fees and commissions expense	(29,215)	(31,668)
Other operating income	185,544	211,770
Gain less losses from trading in foreign currencies	142,659	169,490
Gain less losses from other trading activities	0	(43)
Others	42,885	42,323
Operating expenses	(581,028)	(531,554)
Staff expenses	(387,918)	(345,277)
Other operating expenses	(193,110)	(186,277)
Net charge for bad and doubtful debts provisions	328	222
Gains less losses from the disposal of fixed and other assets	(190)	(45)
Profit before taxation	1,876,235	2,084,169
Taxation charge	(247,963)	(240,201)
Profit after taxation	1,628,272	1,843,968

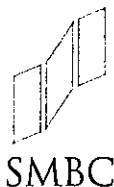


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<b>2. Balance Sheet</b>	<b>31-Mar-2016</b>	<b>30-Sep-2015</b>
	<u>In HKD '000</u>	<u>In HKD '000</u>
<u>Assets</u>		
Cash and balances with banks	13,049,584	16,562,826
Placements with banks maturing between one and twelve months	12,531,727	13,308,070
Amount due from overseas offices	125,594,788	139,078,601
Trade bills	913,770	2,877,029
Advances and other accounts	132,360,796	148,282,237
Advances to customers	122,255,605	138,028,900
Advances to banks	5,817,068	6,671,456
Accrued interest receivables and other accounts	4,288,123	3,581,881
Provisions for bad and doubtful debts	(1) (2) (123,513)	(122,345)
Investment securities	22,177,021	20,097,741
Other investments	0	0
Property and equipment	34,811	34,799
<b>Total assets</b>	<u><u>306,538,984</u></u>	<u><u>340,118,958</u></u>
<u>Liabilities</u>		
Deposits and balances from banks	84,817,525	102,885,782
Deposits from customers	68,471,768	54,469,077
Demand deposits and current accounts	1,970,752	2,338,612
Saving deposits	8,265,735	7,442,180
Time, call and notice deposits	58,235,281	44,688,285
Amount due to overseas offices	141,935,371	175,593,273
Certificates of deposit issued	5,985,497	2,990,215
Other liabilities	5,328,823	4,180,611
<b>Total liabilities</b>	<u><u>306,538,984</u></u>	<u><u>340,118,958</u></u>

(1) There were no general provisions made as of 31 March 2016 and 30 September 2015 .

(2) There were no specific provisions made for banks or other financial institutions as of 31 March 2016 and 30 September 2015 .



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

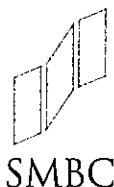
	31-Mar-2016 In HKD '000	% of advances covered by collateral	30-Sep-2015 In HKD '000	% of advances covered by collateral
<b>(a) Breakdown by industry sectors</b>				
<b>Industrial, commercial and financial</b>				
Property development	19,497,721	0.00%	20,573,138	0.00%
Property investment	7,154,658	0.00%	9,781,895	0.00%
Financial concerns	3,678,394	0.00%	4,603,779	0.00%
Stockbrokers	390,642	0.53%	387,859	0.50%
Wholesale and retail trade	8,494,392	11.99%	8,819,649	9.91%
Manufacturing	4,190,867	8.42%	4,544,065	2.92%
Transport and transport equipment	7,873,108	5.39%	7,832,177	4.86%
Recreational activities	0	0.00%	95,883	0.00%
Information technology	2,944,417	0.00%	2,393,164	0.00%
Others	8,178,792	0.00%	9,173,292	0.00%
Individuals	(1) 0	0.00%	0	0.00%
<b>Total loans and advances for use in Hong Kong</b>	<b>62,402,991</b>	<b>2.88%</b>	<b>68,204,901</b>	<b>2.04%</b>
Trade finance	157,574	0.00%	1,357,327	0.00%
Other loans and advances for use outside Hong Kong	59,695,040	0.75%	68,466,672	0.30%
<b>Gross loans and advances to customers</b>	<b>122,255,605</b>	<b>1.84%</b>	<b>138,028,900</b>	<b>1.16%</b>

**(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.

	31-Mar-2016 In HKD '000	30-Sep-2015 In HKD '000
<b>Gross advances to customers</b>		
Hong Kong	79,093,350	87,117,264
China	12,379,836	21,200,732
<b>Overdue advances to customers</b>		
Hong Kong	61,596	61,085
China	48,188	48,158
<b>Non performing advances to customers</b>		
Hong Kong	61,596	61,085
China	48,188	48,158

(1) There were no loans and advances to individuals for the purchase of properties and credit card advances as of 31 March 2016 and 30 September 2015.



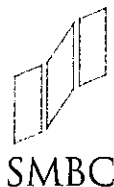
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**4. Non-bank Mainland Exposures**

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.

	31-Mar-2016 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)	24,420	1,910	26,330
2. Local governments, local government-owned entities and their subsidiaries and JVs	1,933	0	1,933
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	6,326	1,465	7,791
4. Other entities of central government not reported in item 1 above	794	300	1,094
5. Other entities of local government not reported in item 2 above	59	0	59
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	12,681	2,947	15,628
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>46,213</b>	<b>6,622</b>	<b>52,835</b>
Total assets after provision	306,539		
On-balance sheet exposures as percentage of total assets	15.08%		

	30-Sep-2015 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)	31,017	2,306	33,323
2. Local governments, local government-owned entities and their subsidiaries and JVs	2,159	400	2,559
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	7,193	2,613	9,806
4. Other entities of central government not reported in item 1 above	778	337	1,115
5. Other entities of local government not reported in item 2 above	315	0	315
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	12,210	393	12,603
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>53,672</b>	<b>6,049</b>	<b>59,721</b>
Total assets after provision	340,119		
On-balance sheet exposures as percentage of total assets	15.78%		



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**5. Provisions for non performing advances**

(1) (2)

	31-Mar-2016 In HKD '000	% of total loans & advances to customers	30-Sep-2015 In HKD '000	% of total loans & advances to customers
Non performing advances to customers	122,395	0.10%	121,318	0.09%
Specific provisions made in respect of such advances	122,191	NA	121,122	NA
Value of collateral in respect of such advances	0	NA	0	NA

**6. Overdue and rescheduled assets**

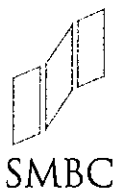
(3) (4)

	31-Mar-2016 In HKD '000	% of total loans & advances to customers	30-Sep-2015 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	122,395	0.10%	121,318	0.09%
Specific provisions made in respect of such advances	122,191	NA	121,122	NA
Unsecured portion of such overdue advances	122,395	NA	121,318	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 31 March 2016 and 30 September 2015 .

- (1) There were no non performing loans and advances to banks or other financial institutions as of 31 March 2016 and 30 September 2015 .  
(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 31 March 2016 and 30 September 2015 .  
(4) There were no other assets for which overdue more than three months as of 31 March 2016 and 30 September 2015 .



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**8. Off-balance sheet exposures**

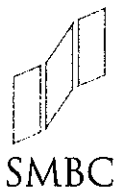
Contractual amounts of significant off-balance sheet exposures are disclosed.

	<u>31-Mar-2016</u> In HKD '000	<u>30-Sep-2015</u> In HKD '000
<b>(a) Non derivative exposures</b>		
Direct credit substitutes	555,195	1,854,328
Transaction-related contingencies	829,409	558,103
Trade-related contingencies	716,495	690,593
Other commitments	123,222,347	110,729,566
<b>(b) Derivative exposures</b>		
Exchange rate contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	330,554,054	396,350,040
Interest rate contracts	46,009,318	30,603,225
Others	0	118,000

Fair value of each type of derivatives are disclosed.

	<u>31-Mar-2016</u> In HKD '000	<u>30-Sep-2015</u> In HKD '000
<b><u>Assets</u></b>		
Exchange rate contracts	2,605,484	1,852,381
Interest rate contracts	901,700	862,288
Others	0	1,362
<b><u>Liabilities</u></b>		
Exchange rate contracts	2,182,310	1,723,960
Interest rate contracts	933,162	883,423
Others	0	0

There was no bilateral netting agreement as of 31 March 2016 and 30 September 2015.



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9. Liquidity maintenance ratio	Year ended 31-Mar-2016	Year ended 31-Mar-2015
The average liquidity maintenance ratio for the period of 1 April 2015 to 31 March 2016	37.34%	NA
The average liquidity maintenance ratio for the period of 1 January to 31 March 2015	NA	35.04%
The average liquidity ratio for the period of 1 April to 31 December 2014	NA	32.90%

**10. International claims**

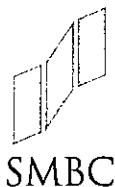
International claims disclose exposures by major countries or geographical segments of which not less than 10% of the institution's total international claims are attributable after taking into account any recognized risk transfer.

	31-Mar-2016 In HKD million				
	Banks	Official sector	Non-bank private sector	Others	Total
Developing Asia and Pacific	20,993	0	26,047	0	47,040
China	19,161	0	12,865	0	32,026
Developed countries	127,334	1,927	8,637	0	137,898
Japan	126,960	0	7,104	0	134,064

	30-Sep-2015 In HKD million				
	Banks	Official sector	Non-bank private sector	Others	Total
Developing Asia and Pacific	24,832	0	33,286	0	58,118
China	20,900	0	21,277	0	42,177
Developed countries	140,614	1,169	8,968	0	150,751
Japan	140,451	0	7,521	0	147,972



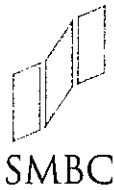


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**11. Currency risk**

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.

	31-Mar-2016 In HKD million	31-Mar-2016 In HKD million	31-Mar-2016 In HKD million
	USD	CNY	EUR
Spot assets	176,745	11,586	4,894
Spot liabilities	(213,783)	(6,632)	(5,021)
Forward purchases	177,304	60,705	2,858
Forward sales	(139,619)	(65,914)	(2,750)
Net option position	(197)	0	197
Net long (short) position	<u>450</u>	<u>(255)</u>	<u>178</u>
Net structural position	<u>0</u>	<u>0</u>	<u>0</u>
	30-Sep-2015 In HKD million	30-Sep-2015 In HKD million	
	USD	CNY	
Spot assets	213,871	12,877	
Spot liabilities	(255,706)	(6,870)	
Forward purchases	215,096	77,938	
Forward sales	(172,877)	(84,343)	
Net option position	1	0	
Net long (short) position	<u>385</u>	<u>(398)</u>	
Net structural position	<u>0</u>	<u>0</u>	



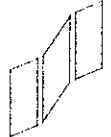
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**12. Consolidated group disclosures**

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 31 March 2016.

<u>Capital and Capital Adequacy</u>	<u>31-Mar-2016</u> <u>In JPY million</u>	<u>30-Sep-2015</u> <u>In JPY million</u>
Stockholder's equity	7,454,294	7,298,192
Capital adequacy ratio (1)	17.02%	17.79%
<u>Other Financial Information</u>	<u>31-Mar-2016</u> <u>In JPY million</u>	<u>30-Sep-2015</u> <u>In JPY million</u>
Total assets	186,585,842	186,653,748
Total liabilities	176,138,173	176,017,514
Total loans and advances and bills discounted	75,066,080	74,510,685
Total deposit	110,668,828	102,099,448
	<u>Year ended</u> <u>31-Mar-2016</u> <u>In JPY million</u>	<u>Year ended</u> <u>31-Mar-2015</u> <u>In JPY million</u>
Pre-tax profit	980,170	1,309,377

(1) The ratio is calculated pursuant to the Banking Law of Japan issued by the Japanese Financial Services Agency in 2006.



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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.