

【NEWS RELEASE】

February 20, 2019

 Sumitomo Mitsui Financial Group, Inc.
 Sumitomo Mitsui Banking Corporation

Sumitomo Mitsui Financial Group, Inc. to establish a new company designed to support business competitiveness through productivity improvement.

Sumitomo Mitsui Financial Group, Inc. (President and Group CEO: Takeshi Kunibe; our corporate group will hereinafter be referred to as “SMBC Group”) and Sumitomo Mitsui Banking Corporation (“SMBC”, President and CEO: Makoto Takashima) established SMBC Value Creation Co., LTD. (“SMBC Value Creation”), a wholly owned subsidiary by SMBC, designed to support clients’ business competitiveness through services aimed at improving productivity built on advanced technologies (RPA, OCR, AI, etc.). SMBC Value Creation will become legally effective on April 1, 2019.

At SMBC Group, as part of our current mid-term business plan (April 2017-), we laid out the goal of reducing our business volume by 3 million work hours (worth 1,500 people) through the effective use of RPA. As of end of September 2018, we have already reduced approximately 1.6 million work hours (worth 800 people) through automation. With the hours reduced, our employees have been capable of allocating more time for valuable operations, and have helped promote work style reforms, while engaging every day in offering a swift, high-quality service to our clients. Likewise, by combining the features of Cognitive and RPA with conventional OCR technology, we have built an effective and highly expandable business process, which has been in use for overseas remittance operations and testamentary trust operations at SMBC since last April. We have also been entrusted with overseas remittance operations of approximately 100 regional banks. By next month, the development of account transfer, financial statement input, bill input will have completed, and operations are expected to begin in April.

SMBC Value Creation’s strength is its capability of offering SMBC Group’s technique, knowledge, and experience of large-scale productivity improvement, acquired through the effective use of RPA and other advanced technologies, not only to regional banks, securities, and other financial institutions, but to clients in various industries facing similar issues.

Following the business concept, “Limited time as an asset. We will become a source of power to maximize its value”, SMBC Value Creation will evolve, along with our clients, by helping them create new values.

(Overview of SMBC Value Creation)

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| Trade Name | SMBC VALUE CREATION CO., LTD. |
| Location | Otemachi First Square 1-5-1, Otemachi, Chiyoda-ku, Tokyo |
| Net Asset | 990 million yen |
| Shareholder Composition | SMBC 100% |
| Date of Establishment | February 20, 2019 |
| President | Kei Yamamoto |
| Contents of Business | Design and implementation of productivity improvement solutions with the application of advanced technologies; operation and consulting services. |