SUMITOMO MITSUI FINANCIAL GROUP, INC.

(incorporated with limited liability in Japan)

and

SUMITOMO MITSUI BANKING CORPORATION

(incorporated with limited liability in Japan)

¥3,000,000,000,000 Euro Medium Term Note Programme

This Base Prospectus supersedes the Base Prospectus dated 28 August 2020 prepared in connection with the Programme (as defined below). Under the Euro Medium Term Note Programme described in this Base Prospectus (the "Programme"), Sumitomo Mitsui Financial Group, Inc. ("SMFG") and Sumitomo Mitsui Banking Corporation ("SMBC" and, together with SMFG, the "Issuers"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue euro medium term notes ("Notes"). Notes issued by SMFG ("SMFG Notes") may be issued on a senior or subordinated basis and will have a minimum maturity of one year from the date of original issue. Notes issued by SMBC ("SMBC Notes") will be issued on a senior basis and will have a maturity from between seven days and 30 years from the date of original issue. The aggregate nominal amount of Notes outstanding will not at any time exceed ¥3,000,000,000,000 (or the equivalent in other currencies calculated as provided herein). The Issuers may increase or decrease such amount from time to time.

Subordinated Notes issued by SMFG will be subject to non-viability loss absorption provisions pursuant to which, if a Non-Viability Event (as defined herein) occurs, the full principal amount of the Subordinated Notes will be permanently written down to zero and be cancelled, and the holder of the Subordinated Notes will be deemed to have irrevocably waived their right to claim or receive any payment of principal of or interest on the Subordinated Notes (including additional amounts with respect thereto, if any), except for any payments of principal or interest (including additional amounts with respect thereto, if any) that have become due and payable prior to the occurrence of the Non-Viability Event, as described further under "Terms and Conditions of the SMFG Notes—Condition 10 (Write-Down upon a Non-Viability Event)".

The Notes will be issued to one or more of the Dealers specified below and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "Dealer" and together the "Dealers").

Application has been made to list the Notes on the Luxembourg Stock Exchange and for such Notes to be admitted to trading on the Euro MTF Market (the "Market"). References in this Base Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Market. In relation to Notes listed on the Luxembourg Stock Exchange, this Base Prospectus is valid for a period of one year from the date hereof. However, unlisted Notes may be issued pursuant to the Programme. The relevant Final Terms (as defined herein) will specify whether such Notes will be listed on the Luxembourg Stock Exchange (or any other stock exchange). This Base Prospectus constitutes a prospectus for the purposes of Part IV of the Luxembourg law on prospectuses for securities dated 16 July 2019.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period after the issue date. However, there may be no obligation on the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person) acting on behalf of any Stabilising Manager(s) in accordance with all applicable laws and rules.

Each of Moody's Japan K.K., S&P Global Ratings Japan Inc. and Japan Credit Rating Agency, Ltd. has assigned credit ratings to the Programme in respect of Senior Notes and Subordinated Notes issued by SMFG and Notes issued by SMBC, while Fitch Ratings Japan Limited has assigned credit ratings to the Programme in respect of Senior Notes issued by SMFG and Notes issued by SMBC. Tranches of Notes (as defined in "Summary of the Programme") issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. There can be no assurance that the ratings of the Programme will remain for any given period of time or that the ratings will not be lowered or withdrawn entirely if, in the judgement of such agency, circumstances in the future so warrant. A revision, suspension or withdrawal of the rating assigned to the Notes may adversely affect the market price of the Notes. See "Summary of the Programme".

This Base Prospectus may only be used for the purposes for which it has been published.

Arranger

SMBC NIKKO

Dealers

Barclays
BofA Securities
Deutsche Bank
HSBC
Nomura
UBS Investment Bank
BNP PARIBAS
Citigroup
Goldman Sachs International
J.P. Morgan
SMBC NIKKO

Base Prospectus dated 31 August 2021

SMFG having made all reasonable enquiries confirms that this Base Prospectus contains all information with respect to itself and its subsidiaries and affiliates and the Notes that is material in the context of the issue and offering of the Notes, the statements contained in this Base Prospectus are in every material particular true and accurate and not misleading, the opinions and intentions expressed in this Base Prospectus are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, there are no other facts in relation to it and its subsidiaries and affiliates or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Base Prospectus misleading in any material respect and all reasonable enquiries have been made by it to ascertain such facts and to verify the accuracy of all such information and statements.

SMBC having made all reasonable enquiries confirms that this Base Prospectus contains all information with respect to itself and its subsidiaries and affiliates and the Notes that is material in the context of the issue and offering of the Notes, the statements contained in this Base Prospectus are in every material particular true and accurate and not misleading, the opinions and intentions expressed in this Base Prospectus are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, there are no other facts in relation to it and its subsidiaries and affiliates or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Base Prospectus misleading in any material respect and all reasonable enquiries have been made by it to ascertain such facts and to verify the accuracy of all such information and statements.

Each Issuer accepts responsibility for the information contained in this Base Prospectus and the documents incorporated by reference herein.

Notes issued in bearer form pursuant to the Programme will initially be represented by a temporary Global Note or a permanent Global Note. If the Global Notes are stated in the applicable Final Terms to be issued in new global note ("NGN") form, the Global Notes will be delivered on or prior to the issue date to a common safekeeper (the "Common Safekeeper") for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg"). Notes issued in registered form pursuant to the Programme will be represented by registered certificates (each a "Certificate"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Registered Notes issued in global form will be represented by registered Global Certificates. If a Global Certificate is to be held under the New Safekeeping Structure (the "NSS"), the Global Certificate will be delivered on or prior to the issue date to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Global Notes which are not issued in NGN form ("Classic Global Notes" or "CGNs") and Global Certificates which are not held under the NSS may be deposited on the issue date with a common depositary on behalf of Euroclear and Clearstream, Luxembourg.

In connection with the issue and offering of the Notes, no person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers or any of the Dealers or the Arranger specified above and any additional Arranger appointed under the Programme from time to time (each an "Arranger" and together the "Arrangers"). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to its date. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuers during the life of the Programme.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement.

Neither this Base Prospectus nor any other information supplied in connection with the Programme (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuers or any of the Dealers that any recipient of this Base Prospectus, or any other information supplied in connection with the Programme, should purchase any Notes. Each investor

contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuers.

The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Notes come are required by the Issuers, the Dealers and the Arrangers to inform themselves about, and observe, any such restrictions (see "Plan of Distribution"). Furthermore, this Base Prospectus does not constitute, and may not be used for the purposes of an offer, invitation or solicitation by anyone in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "Securities Act") and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. For a description of restrictions in certain other jurisdictions, including the United States, the EEA, the United Kingdom and Japan, on offers and sales of Notes and on distribution of this Base Prospectus, see "Plan of Distribution".

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan and are subject to the Special Taxation Measures Act of Japan. The Notes may not be offered or sold in Japan or to the residents of Japan or to others for re-offering or re-sale, directly or indirectly in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act of Japan and any other applicable laws, regulations and ministerial guidelines of Japan (See "Plan of Distribution"). Interest payments on the Notes generally will be subject to Japanese withholding tax unless the holder establishes that such Notes are held by or for the account of a holder that is (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation nor (y) an individual non-resident of Japan or a non-Japanese corporation that is a person having a special relationship with SMFG or SMBC, as the case may be, as described in Article 6, Paragraph 4 of the Special Taxation Measures Act (as detailed below), (ii) a Japanese designated financial institution described in Article 6, Paragraph 11 of the Special Taxation Measures Act of Japan which complies with the requirement for tax exemption under that Paragraph, or (iii) a Japanese corporation, a Japanese financial institution or a Japanese financial instruments business operator, etc. designated by Article 3-3, Paragraph 6 of the Special Taxation Measures Act which has complied with the Japanese tax exemption requirements under the said paragraph 6, receiving the interest payment through its payment handling agent in Japan as provided in the Article 3-3, Paragraph 1 of the Special Taxation Measures Act. (See "Taxation – Japan").

Each purchaser of Notes in the initial distribution of such Notes is deemed to represent that it is, for Japanese tax purposes, a Gross Recipient (as defined in "Plan of Distribution").

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been or will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any

rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Singapore Securities and Futures Act (Chapter 289) (the "SFA") Product Classification: Unless otherwise stated in the Final Terms in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

In this Base Prospectus, references to "U.S. dollars", "U.S.$" and "$" are to United States dollars, to "euro" or "Euro" are to the currency of those member states of the European Union which are participating in European Economic and Monetary Union pursuant to the Treaty on European Union, to "Yen" and "¥" are to Japanese yen and to "Sterling", "Pounds" and "£" are to pounds sterling.

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DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with:

(a) the annual report on Form 20-F of SMFG for the fiscal year ended 31 March 2021 filed with the SEC on 29 June 2021 ("Form 20-F") (other than the section entitled "Item 9. The Offer and Listing" on page 134 thereof) containing, *inter alia*, the audited consolidated financial statements of SMFG as at 31 March 2020 and 2021 and for each of the years in the three-year period ended 31 March 2021 prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS");

(b) the audited consolidated financial statements of SMBC as at and for the years ended 31 March 2020 and 2021 prepared in accordance with accounting principles generally accepted in Japan ("Japanese GAAP");

(c) the audited consolidated financial statements of SMFG as at and for the years ended 31 March 2020 and 2021 prepared in accordance with Japanese GAAP

(d) the unaudited quarterly consolidated financial statements of SMFG as at 30 June 2021 and for the three months ended 30 June 2020 and 2021 prepared in accordance with Japanese GAAP;

(e) the English translation of the "Financial Results of SMFG for the three months ended 30 June 2021 (supplementary information)" of SMFG (*kessan setsumei shiryo*), containing SMFG's consolidated financial information and SMBC's non-consolidated financial information prepared in accordance with Japanese GAAP as at and for the three months ended 30 June 2021; and

(f) the news release dated 13 August 2021 containing quarterly capital ratio information of SMFG and of SMBC as at 30 June 2021,

which shall be incorporated in, and to form part of, this Base Prospectus, save that any statement contained in the documents described above shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

In addition, the following documents shall, once filed with and published on the website of the Luxembourg Stock Exchange, be incorporated by reference and form part of this Base Prospectus.

(i) the most recently published annual report on Form 20-F of SMFG (other than the section entitled "Item 9. The Offer and Listing" thereof);

(ii) the most recently published unaudited quarterly consolidated financial statements and audited annual consolidated financial statements of SMFG prepared in accordance with Japanese GAAP;

(iii) the most recently published unaudited interim consolidated financial statements of SMFG prepared in accordance with IAS 34 "Interim Financial Reporting" ("IAS 34") for its six-month interim period and furnished to the SEC on Form 6-K subsequent to the date of this Base Prospectus;

(iv) the English translation of the most recently published consolidated financial results (*kessan tanshin*) of SMFG prepared in accordance with the rules of the Tokyo Stock Exchange Inc. (other than any information in relation to earnings forecast), containing SMFG's consolidated financial results prepared in accordance with Japanese GAAP and certain other information subsequent to the date of this Base Prospectus;

(v) the English translation of the supplementary information (*kessan setsumei shiryo*) related to the most recently published consolidated financial results (*kessan tanshin*) of SMFG (other than any information in relation to earnings forecast), containing SMFG's consolidated financial information and SMBC's non-consolidated financial information prepared in accordance with Japanese GAAP subsequent to the date of this Base Prospectus;

(vi) the most recently published audited annual consolidated financial statements and any unaudited interim consolidated financial statements of SMBC;

(vii) the most recently published news release containing quarterly capital ratio information of SMFG and of SMBC;

(viii) any report on Form 6-K of SMFG filed with the SEC which is filed with and published on the website of the Luxembourg Stock Exchange, except as identified therein; and

(ix) any news release of SMFG or SMBC which is filed with and published on the website of the Luxembourg Stock Exchange, except as identified therein.

Each such document incorporated by reference shall modify or supersede the contents of this Base Prospectus to the extent that a statement contained in any such document is inconsistent with such contents and all amendments and supplements to this Base Prospectus prepared from time to time.

Each of the Issuers will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of such documents deemed to be incorporated herein by reference and issued by it unless such documents have been modified or superseded as specified above. Written requests for such documents should be directed to the relevant Issuer at their respective offices set out at the end of this Base Prospectus. In addition, such documents will be available, free of charge, from SMBC Bank International plc and from The Bank of New York Mellon SA/NV, Luxembourg Branch. Each of the documents listed under (a) to (e) above has also been published on, and can be obtained from, the website of the Luxembourg Stock Exchange (www.bourse.lu).

SUPPLEMENTARY BASE PROSPECTUS

Each of the Issuers has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant change affecting any matter contained in this Base Prospectus relevant to such Issuer whose inclusion would reasonably be required by investors and their professional advisers, and would reasonably be expected by them to be found in this Base Prospectus, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of such Issuer and the rights attaching to the Notes, then the relevant Issuer shall prepare an amendment or supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

SUMMARY OF THE PROGRAMME

The following does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms. Words and expressions defined or used in "Terms and Conditions of the SMFG Notes" and "Terms and Conditions of the SMBC Notes", as the case may be, which includes the provisions of the relevant Final Terms, shall have the same meaning herein:

Issuers:	Sumitomo Mitsui Financial Group, Inc. Sumitomo Mitsui Banking Corporation
Arranger:	SMBC Nikko Capital Markets Limited
Dealers:	Barclays Bank PLC BNP Paribas Citigroup Global Markets Limited Deutsche Bank AG, London Branch Goldman Sachs International The Hongkong and Shanghai Banking Corporation Limited HSBC Bank plc J.P. Morgan Securities plc Merrill Lynch International Nomura International plc SMBC Nikko Capital Markets Limited UBS AG London Branch and any additional Dealer appointed from time to time by the Issuers for a specific issue or on an ongoing basis.
Fiscal Agent, Paying and Calculation Agent:	SMBC Bank International plc
Registrar:	The Bank of New York Mellon SA/NV, Luxembourg Branch
Issuing and Authentication Agent:	The Bank of New York Mellon, London Branch
Amount:	Up to and including ¥3,000,000,000,000 outstanding at any time. For such purposes: (i) the premium of Notes issued at a premium shall be added to their nominal amount; (ii) the nominal amount of Notes issued at a discount as at any time shall equal their nominal amount or, if defined and provided for in the Conditions of such Notes, their Amortised Face Amount as at such time; (iii) the nominal amount of partly paid Notes as at any time shall equal the amount of subscription moneys paid up as at such time; and (iv) the Yen equivalent of the nominal amount of Notes denominated in a currency other than Yen (which, in the case of Dual Currency Notes, shall be the currency in which the subscription moneys are received by the Issuer) shall be determined on the basis of the spot rate for the sale of Yen against the purchase of the relevant currency as reported by Reuters as of any time on the Trade Date relating to such Notes selected by the Issuer.

Under the Dealer Agreement the nominal amount of Notes outstanding under the Programme may be increased or decreased, subject to the satisfaction of certain conditions set out therein.

Description: Euro Medium Term Note Programme.

Method of Issue: Notes will be issued on a continuous basis in series (each a "Series") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "Tranche") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the Final Terms.

Distribution: Notes may be distributed by way of private or public placement and in each case on a non-syndicated or a syndicated basis, subject to the provisions set out in "Plan of Distribution". The method of distribution of each Tranche will be stated in the relevant Final Terms.

Currencies: U.S. dollars, Sterling, Euro or Yen or such currency or currencies as may be agreed between the Issuer(s) and the relevant Dealer(s) (as indicated in the relevant Final Terms). Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time.

Maturities: Subject to compliance with all relevant laws, regulations and directives, Notes issued by SMFG will have a minimum maturity of one year and Notes issued by SMBC will have a maturity of between seven days and 30 years from the date of original issue (as indicated in the relevant Final Terms).

Issue Price: Notes may be issued at par or at a discount to, or a premium over, par and on a fully or partly paid basis.

Form of Notes: Notes may be in bearer form ("Bearer Notes") or in registered form ("Registered Notes"). Each Tranche of Bearer Notes will initially be represented by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "Summary of the Programme – Selling Restrictions") otherwise such Tranche will initially be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered

in the name of a nominee for one or more clearing systems are referred to as "Global Certificates".

Initial Delivery of Notes: On or before the issue date for each Tranche, if the relevant Global Note is an NGN or the relevant Global Certificate is to be held under the NSS, the Global Note or Global Certificate will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Global Note is a CGN or the relevant Global Certificate is not to be held under the NSS, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Issuing and Authentication Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

Status of the Senior Notes issued by SMFG: Senior Notes issued by SMFG will constitute direct, unconditional, unsubordinated and unsecured obligations of SMFG and will at all times rank *pari passu* without any preference among themselves. See "Terms and Conditions of the SMFG Notes–Condition 3*(a)* (Status)".

The Senior Notes of SMFG are expected to be subject to potential losses in the event of SMFG's liquidation following the application of the orderly resolution powers under the Deposit Insurance Act of Japan (the "Deposit Insurance Act"). See "Risk Factors–Risks Related to Senior Notes issued by SMFG–Senior Notes issued by SMFG will be subject to loss absorption if SMFG becomes subject to orderly resolution measures under the Deposit Insurance Act and Japanese insolvency laws. As a result, the value of such Senior Notes could be materially adversely affected, and holders of such Senior Notes may lose all or a portion of their investment".

Status of the Subordinated Notes issued by SMFG: Subordinated Notes issued by SMFG will constitute direct and unsecured obligations of SMFG and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of SMFG under the Subordinated Notes shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all indebtedness that is subordinated to Senior Indebtedness (as defined in "Terms and Conditions of the SMFG Notes") and that is in priority to all of SMFG's perpetual subordinated indebtedness, including indebtedness in respect of preference or other shares or any other indebtedness which ranks, or is expressed to rank, *pari passu* with, or junior to, indebtedness in respect of perpetual subordinated indebtedness. See "Terms and Conditions of the SMFG Notes—Condition 3*(b)* (Status of the Subordinated Notes)".

Write-Down of Subordinated Notes issued by SMFG upon Non-Viability Event:

Upon the occurrence of a Non-Viability Event, Subordinated Notes issued by SMFG will be subject to a "Write-Down" on the Write-Down Date (as defined in "Terms and Conditions of the SMFG Notes"), automatically and without any additional action by the Issuer or the holders of the Subordinated Notes.

Upon a Write-Down:

(i) the full principal amount of each Subordinated Note, except for principal that has become due and payable prior to the occurrence of the Non-Viability Event, will be permanently written down to zero and the Subordinated Note will be cancelled; and

(ii) the holders of the Subordinated Notes will be deemed to have irrevocably waived their right to claim or receive, and will not have any rights against SMFG with respect to, payment of principal of or interest on the Subordinated Notes (including additional amounts with respect thereto, if any), except for any payments of principal or interest (including additional amounts with respect thereto, if any) that have become due and payable prior to the occurrence of the Non-Viability Event.

SMFG's obligations with respect to, and any claims for, the payment of principal of or interest on the Subordinated Notes (including additional amounts with respect thereto, if any), except for payments of principal or interest (including additional amounts with respect thereto, if any) that have become due and payable prior to the occurrence of the Non-Viability Event, will be suspended from the occurrence of the Non-Viability Event until the Write-Down Date.

A "Non-Viability Event" will be deemed to have occurred when the Prime Minister of Japan, following deliberation by Japan's Financial Crisis Response Council pursuant to the Deposit Insurance Act, confirms (*nintei*) that "specified Item 2 measures (*tokutei dai nigo sochi*)", which are the measures set forth in Article 126-2, Paragraph 1, Item 2 of the Deposit Insurance Act (including any successor articles thereto), as then in effect, need to be applied to SMFG under circumstances where its liabilities exceed or are likely to exceed its assets, or it has suspended or is likely to suspend payment of its obligations. See "Item 4. Information on the Company—4.B. Business Overview—Regulations in Japan—Regulations Regarding Capital Adequacy and Liquidity—Capital Adequacy Requirement" in SMFG's annual report on Form 20-F for the fiscal year ended 31 March 2021, which is incorporated herein by reference.

SMFG shall, on the date of or as soon as practicable after the occurrence of a Non-Viability Event, deliver a Write-Down Notice (as defined in "Terms and Conditions of the SMFG Notes—Condition 10 (Write-Down upon a Non-Viability Even)) to the holders of the Subordinated Notes confirming, among other things, the occurrence of such Non-Viability Event and the Write-Down Date. Any failure or delay by

	SMFG to provide a Write-Down Notice, shall not change or delay the effect of the occurrence of the Non-Viability Event on its payment obligations under the Subordinated Notes.
Status of the SMBC Notes:	Notes issued by SMBC will constitute direct, unsubordinated and unsecured obligations of the relevant Issuer. See "Terms and Conditions of the SMBC Notes—Condition 3 (Status)".
Negative Pledge:	None.
Fixed Rate Notes:	Fixed rate interest will be payable in arrear on such day(s) as agreed between the relevant Issuer and the relevant Dealer(s) (as indicated in the relevant Final Terms).
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate set separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to such benchmark as may be specified in the relevant Final Terms, as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Dual Currency Notes:	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes, which may be issued only by SMBC, will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Final Terms.
Index Linked Interest Notes:	The Final Terms issued in respect of each issue of variable coupon amount Notes, which may be issued only by SMBC, will specify the basis for calculating the amounts of interest payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Final Terms, provided that such Notes do not constitute a "Specified Equity Linked Instrument" or "Specified Notional Principal Contract" under Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.
Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
Fixed/Floating Rate Notes and Other Changes of Interest Basis:	Notes may be converted from one interest basis to another in the manner set out in the relevant Final Terms.
Index Linked Redemption Notes:	The Final Terms issued in respect of each issue of variable redemption amount Notes, which may be issued only by SMBC, will specify the basis for calculating the redemption amounts payable, which may be by reference to a stock index

	or formula or as otherwise provided in the relevant Final Terms.
Redemption by Instalments:	The Final Terms issued in respect of each issue of Notes which are redeemable in two or more instalments, which may be issued only by SMBC, will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Other Notes:	Terms applicable to any other type of Note which the Issuer(s), the Fiscal Agent and any Dealer(s) may agree to issue under the Programme will be set out in the relevant Final Terms.
Denominations:	Denominations may be agreed between the Issuer(s) and the relevant Dealer(s) and will be specified in the relevant Final Terms, subject to compliance with all legal and/or regulatory requirements applicable to the currency of denomination, save that, unless otherwise permitted by then current laws, regulations and directives, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum redemption value of £100,000 (or its equivalent in other currencies).
Taxation:	All payments of principal and interest will be made without withholding for any taxes or duties of whatever nature imposed by Japan, unless any such withholding is required by law whereupon, subject to certain exceptions, the relevant Issuer will pay such additional amounts as will result in the receipt by the payee of such amounts as would have been received by it had no withholding or deduction been required, in accordance with the provisions described in "Taxation".
Events of Default and Limitation of Enforcement Rights in respect of Senior Notes of SMFG:	The following will be events of default with respect to Senior Notes of SMFG: • default is made for a period of more than 30 days in the payment of principal or more than 30 days in the payment of interest due in respect of the Senior Notes; • default is made by SMFG in the performance or observance of any other covenant, term or agreement of SMFG under the Senior Notes and such default is continuing for the period of 90 days after the date on which written notice of such default, requiring SMFG to remedy the same, shall first have been given to SMFG by any holder of the Senior Notes; or • certain events of bankruptcy, insolvency, reorganisation or liquidation under bankruptcy, civil rehabilitation, reorganisation or insolvency law of Japan shall have occurred with respect to SMFG or an effective resolution shall have been passed by SMFG for its winding up or dissolution. See "Terms and Conditions of the SMFG Notes – Condition 9 (Events of Default)".

The conditions of the SMFG Notes will specify that each holder of the Senior Notes acknowledges, consents and agrees (a) for a period of 30 days from and including the date upon which the Prime Minister of Japan (the "Prime Minister") confirms that any of the measures set forth in Article 126-2, Paragraph 1, Item 2 ("Specified Item 2 Measures (*tokutei dainigo sochi*)") of the Deposit Insurance Act should be applied to SMFG, not to initiate any action to attach any assets, the attachment of which has been prohibited by designation of the Prime Minister pursuant to Article 126-16 of the Deposit Insurance Act (or any successor provision thereto) and (b) to any transfer of the SMFG's assets (including shares of SMFG's subsidiaries) or liabilities, or any portions thereof, with permission of a Japanese court in accordance with Article 126-13 of the Deposit Insurance Act (or any successor provision thereto), including any such transfer made pursuant to the authority of the Deposit Insurance Corporation to represent and manage and dispose of the Issuer's assets under Article 126-5 of the Deposit Insurance Act (or any successor provision thereto), and that any such transfer shall not constitute an event of default or breach of the Conditions.

Events of Acceleration in respect of Subordinated Notes of SMFG:

If a Subordination Event (as defined in "Terms and Conditions of the SMFG Notes") has occurred and is continuing, and provided that a Non-Viability Event has not occurred, a holder of the Subordinated Notes may by written notice to the Fiscal Agent, declare the nominal amount of, and all interest accrued on, the Subordinated Notes held by the Noteholder to be immediately due and payable (an "Event of Acceleration"), whereupon the same shall become immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which the Issuer hereby expressly waives, anything contained in the Conditions to the contrary notwithstanding. Except as provided above, the holders of the Subordinated Notes will not have any right to accelerate any payment of principal or interest in respect of the Subordinated Notes.

Events of Default in respect of SMBC Notes:

Notes issued by SMBC contain provisions for certain customary Events of Default as further defined and described in "Terms and Conditions of the SMBC Notes—Condition 9 (Events of Default)".

Rating:

Each of Moody's Japan K.K., S&P Global Ratings Japan Inc. and Japan Credit Rating Agency, Ltd. has assigned credit ratings to the Programme in respect of Senior Notes and Subordinated Notes issued by SMFG and Notes issued by SMBC, while Fitch Ratings Japan Limited has assigned credit ratings to the Programme in respect of Senior Notes issued by SMFG and Notes issued by SMBC. Tranches of Notes (as defined in "Summary of the Programme") issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be

	subject to revision, suspension or withdrawal at any time by the assigning rating agency. There can be no assurance that the ratings of the Programme will remain for any given period of time or that the ratings will not be lowered or withdrawn entirely if, in the judgement of such agency, circumstances in the future so warrant.
Listing and Trading:	Luxembourg Stock Exchange's Euro MTF Market or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may be unlisted.
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with them, will be governed by, and construed in accordance with, English law.
Selling Restrictions:	United States, EEA, United Kingdom, Japan and Singapore. See "Plan of Distribution". SMFG and SMBC are Category 2 for the purposes of Regulation S under the Securities Act. Any Bearer Notes will be issued in compliance with U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "Code")) (the "D Rules") unless (i) the relevant Final Terms state that Notes are issued in compliance with U.S. Treas. Reg. Section 1.163- 5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "C Rules") or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.
Legal Entity Identifiers:	Sumitomo Mitsui Financial Group, Inc.: 35380028MYWPB6AUO129 Sumitomo Mitsui Banking Corporation: 5U0XI89JRFVHWIBS4F54

RISK FACTORS

Investing in the Notes involves risks. Prospective investors should consider carefully the risks relating to the Notes described below, as well as the other information presented in, or incorporated by reference into, this Base Prospectus, before deciding whether to invest in the Notes. If any of these risks actually occurs, the business, financial condition and results of operations of each of SMFG and SMBC could suffer, and the trading price and liquidity of the Notes could decline, in which case the holder may lose all or part of its investment. The following does not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial, tax and legal advisers about risks associated with investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances.

This Base Prospectus also contains forward-looking statements that involve risks and uncertainties. The actual results of each of SMFG and SMBC could differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below, elsewhere in this Base Prospectus and in "Item 3. Key Information—3.D. Risk Factors" of its annual report on Form 20-F for the fiscal year ended 31 March 2021 incorporated by reference herein.

Risks related to the business of the Group

For a description of the risks affecting the business of the Group, see "Item 3–Key Information–3.D. Risk Factors" of SMFG's annual report on Form 20-F for the fiscal year ended 31 March 2021, which is incorporated by reference herein.

SMFG is a holding company that conducts all of its business activities through its subsidiary SMBC, which accounts for the substantial majority of SMFG's balance sheet, and other members of the Group. As a result, risks described as capable of affecting the business of SMFG in the above-named section in the Form 20-F are generally also capable of affecting the business of SMBC, unless the context suggests otherwise. SMFG together with its subsidiaries and affiliates, taken as a whole, is referred to as the "Group" in this Base Prospectus.

Risks Related to Notes issued by SMFG

Notes issued by SMFG will be structurally subordinated to indebtedness and other liabilities of SMFG's subsidiaries, including SMBC.

As a holding company, SMFG's assets consist primarily of equity in and loans to its subsidiaries, in particular SMBC, and SMFG's ability to make payments on the Notes depends on its receipt of dividends, loan payments and other funds from such subsidiaries. If the Group subsidiaries' financial conditions materially deteriorate or under certain other conditions, SMFG may not be able to receive such funds from its subsidiaries due to legal restrictions, including under the Banking Act of Japan (the "Banking Act"), the Companies Act of Japan (the "Companies Act"), and the Deposit Insurance Act or as a result of contractual obligations, including loss absorption requirements, applicable to such subsidiaries. Claims of holders of Notes issued by SMFG will be structurally subordinated to claims of creditors of SMFG's subsidiaries. In addition, SMFG's right to participate in any distribution of assets of any subsidiary (and thus the ability of holders of the Notes to benefit as its creditors from such distribution) in bankruptcy, corporate reorganisation, civil rehabilitation, liquidation or similar proceedings will be junior to creditors of that subsidiary, except to the extent that SMFG may be recognised as a creditor of those subsidiaries in such proceedings. Claims of creditors of SMFG's subsidiaries include substantial amounts of long-term debt, deposit liabilities of SMBC and other banking subsidiaries, short-term borrowings, obligations under derivative transactions, trade payables and lease obligations. As a result, holders of the Notes may receive less than full payment in the event of SMFG's bankruptcy, corporate reorganisation, civil rehabilitation, liquidation or similar proceeding, even though the claims of creditors of its subsidiaries may be satisfied in full.

Risks Related to Senior Notes issued by SMFG

Senior Notes issued by SMFG will be subject to loss absorption if SMFG becomes subject to orderly resolution measures under the Deposit Insurance Act and Japanese insolvency laws. As a result, the

value of such Senior Notes could be materially adversely affected, and holders of such Senior Notes may lose all or a portion of their investment.

In November 2015, the Financial Stability Board (the "FSB") published its final Total Loss-Absorbing Capacity standards (the "TLAC standards"). The final TLAC standards define certain minimum requirements for instruments and liabilities so that if a global systemically important bank ("G-SIB") fails, it will have sufficient loss absorbing and recapitalisation capacity available in resolution.

In March 2019, the Financial Services Agency (the "FSA") published its public ministerial announcements, regulatory guidelines and related documents for the implementation of the TLAC standards in Japan (the "Japanese TLAC Standards"). The Japanese TLAC Standards apply to "Covered SIBs", which includes (i) Japanese G-SIBs, such as SMFG, which are designated as G-SIBs by the FSA in accordance with the designation by the FSB, and (ii) any domestic systemically important bank in Japan ("Japanese D-SIB") that has been deemed to be in particular need for a cross-border resolution arrangement and as having particular systemic significance to the Japanese financial system if it fails. The Japanese TLAC Standards applied to G-SIBs in Japan from 31 March 2019.

Under the FSB's TLAC standards and the Japanese TLAC Standards, entities designated by the FSA as the entity that would enter into domestic resolution proceedings for Covered SIBs (the "Domestic Resolution Entities") are required:

- to meet certain minimum external TLAC requirements (being at least 16 per cent of their risk-weighted assets starting from 31 March 2019 and at least 18 per cent of their risk-weighted assets starting from 31 March 2022 as well as at least 6 per cent of their Basel III leverage ratio denominator starting from 31 March 2019 and at least 6.75 per cent starting from 31 March 2022); and
- to cause any material subsidiaries or material sub-groups in Japan designated as systemically important by the FSA, or any foreign subsidiaries that are subject to TLAC or similar requirements by the relevant foreign authorities, to maintain a certain level of capital and debt that is recognised as having loss-absorbing and recapitalisation capacity ("internal TLAC").

In the case of the Group, the FSA designated SMFG as the Domestic Resolution Entity within the Group, which makes SMFG subject to the external TLAC requirements. The FSA also designated SMBC and SMBC Nikko Securities Inc. as SMFG's material subsidiaries in Japan, for which SMFG is required to maintain a certain level of internal TLAC.

Under the Japanese TLAC Standards, unsecured senior debt issued by Japanese G-SIBs is not required to have any contractual write-down, write-off or conversion provisions in order to qualify as external TLAC instruments. In addition, unsecured senior debt issued by a Japanese G-SIB is not required to be contractually subordinated in order to qualify as external TLAC instruments provided that the amount of excluded liabilities (as defined in the Japanese TLAC Standards) of such Japanese G-SIB which ranks *pari passu* or junior to its unsecured senior liabilities does not exceed 5% of its external TLAC and its creditors are recognised by the FSA as structurally subordinated to the creditors of its subsidiaries and affiliates. SMFG intends for its Seniors Notes, if so stated in the Final Terms applicable thereto, to qualify as external TLAC instruments on the basis of, among other things, their structural subordination.

Unless otherwise stated in the applicable Final Terms, SMFG expects to use the proceeds from its Senior Notes to extend unsecured loans to SMBC, which is designated as one of SMFG's material subsidiaries in Japan, as internal TLAC. In accordance with the Japanese TLAC Standards, these loans are required to be contractually subordinated to the excluded liabilities as defined in the Japanese TLAC Standards and have contractual loss absorption provisions that will act to discharge or extinguish the loans or convert them into SMBC's ordinary shares upon a determination by the FSA that SMBC is non-viable due to material deterioration of its financial condition after recognising that its liabilities exceed or are likely to exceed its assets, or that it has suspended or is likely to suspend payment of its obligations.

The Senior Notes are expected to be subject to potential losses through SMFG's liquidation pursuant to court-administered insolvency proceedings following the application of the orderly resolution powers under the Deposit Insurance Act. The Deposit Insurance Act, as amended in March 2014, provides the framework for

resolving financial institutions, including financial holding companies, such as SMFG, and operating banks. Such framework includes measures that may be applied to a financial institution prior to its failure, although there is no assurance that such measures would be applied in any given situation, and orderly resolution measures for financial institutions that have already failed or are likely to fail. In FSA's explanatory paper entitled "The FSA's Approach to Introduce the TLAC Framework," which was published in April 2016 and revised in April 2018, the FSA has identified Single Point of Entry ("SPE") resolution, in which resolution powers are applied to the ultimate holding company of a banking group by a single national resolution authority, as the preferred strategy for resolving currently designated G-SIBs in Japan. Under a possible model for SPE resolution of Japanese G-SIBs described in the Japanese TLAC Standards, if, with respect to a material subsidiary of a Japanese G-SIB that is designated as systemically important by the FSA, the FSA issues to the Domestic Resolution Entity of the Japanese G-SIB an order concerning the restoration of financial soundness, including recapitalisation of, and restoration of liquidity to, such material subsidiary, such material subsidiary's internal TLAC instruments will be written off or, if applicable, converted into equity in accordance with the applicable contractual loss-absorption provisions of such internal TLAC instruments. The FSA may issue such an order pursuant to Article 52-33, Paragraph 1 of the Banking Act upon its determination that the material subsidiary is non-viable due to a material deterioration in its financial condition after recognising that its liabilities exceed or are likely to exceed its assets, or that it has suspended or is likely to suspend payment of its obligations.

Following the write-off or conversion into equity of internal TLAC instruments of the relevant material subsidiary, the relevant Domestic Resolution Entity's liability may exceed its assets or it may suspend payment of its obligations. Under the Deposit Insurance Act, if the Prime Minister recognises that liabilities of a financial institution, including a currently designated Domestic Resolution Entity, exceed or are likely to exceed its assets, or that it has suspended or is likely to suspend payment of its obligations and further recognises that the failure of such financial institution may cause significant disruption in the financial markets or other financial systems in Japan, following deliberation by Japan's Financial Crisis Response Council, the Prime Minister may confirm that Specified Item 2 Measures (*tokutei dai nigo sochi*), which are the measures set forth in Article 126-2, Paragraph 1, Item 2 of the Deposit Insurance Act (including any successor articles thereto), as then in effect, should be applied to such financial institution. Any such confirmation by the Prime Minister also triggers the point of non-viability clauses of Basel III Additional Tier 1 and Tier 2 instruments issued by the financial institution, causing such instruments to be written off or, if applicable, converted into equity. The failed financial institution shall also be placed under special supervision by, or if the Prime Minister so orders, under special control of, the Deposit Insurance Corporation of Japan (the "DIC") in which case, pursuant to Article 126-5 of the Deposit Insurance Act, the DIC would have broad authority to supervise or control the failed financial institution's business, assets and/or liabilities, including the transfer of its systemically important assets and liabilities (which SMFG expects, in the case of its orderly resolution, would include the shares of SMBC and its other material subsidiaries based on the Japanese TLAC Standards) to a bridge financial institution established as a subsidiary of the DIC or such other financial institution as the DIC may determine, the repayment of certain of its liabilities and ultimately the initiation of court-administered insolvency proceedings with respect to such financial institution, in each case in accordance with the Deposit Insurance Act and other relevant laws. See "Item 4. Information on the Company—4.B. Business Overview—Regulations in Japan—Regulations for Stabilizing the Financial System—Deposit Insurance System" in SMFG's annual report on Form 20-F for the fiscal year ended 31 March 2021, which is incorporated by reference in this Base Prospectus. In addition, to facilitate that transfer, the Prime Minister can designate certain assets that will be transferred to a bridge financial institution or to such other financial institution as part of SMFG's orderly resolution to be subject to a prohibition on attachment pursuant to Article 126-16 of the Deposit Insurance Act.

To facilitate SMFG's orderly resolution under the Deposit Insurance Act and Japanese insolvency proceedings, each holder of SMFG's Senior Notes acknowledges, consents and agrees (a) for a period of 30 days from and including the date upon which the Prime Minister confirms that Specified Item 2 Measures (*tokutei dai nigo sochi*) should be applied to SMFG, not to initiate any action to attach any assets, the attachment of which has been prohibited by designation of the Prime Minister pursuant to Article 126-16 of the Deposit Insurance Act (or any successor provision thereto) and (b) to any transfer of SMFG's assets (including shares of its subsidiaries) or liabilities, or any portions thereof, with permission of a Japanese court in accordance with Article 126-13 of the Deposit Insurance Act (or any successor provision thereto), including any such transfer

made pursuant to the authority of the DIC to represent and manage and dispose of SMFG's assets under Article 126-5 of the Deposit Insurance Act (or any successor provision thereto). The above permission may be granted by a Japanese court in accordance with the Deposit Insurance Act if (i) SMFG is under special supervision by, or under special control of, the DIC pursuant to the Deposit Insurance Act and (ii) SMFG's liabilities exceed or are likely to exceed its assets, or SMFG has suspended or are likely to suspend payment of its obligations.

If SMFG becomes subject to orderly resolution procedures under the Deposit Insurance Act, there can be no assurance that the exercise of measures available to the Prime Minister, the DIC or the Japanese courts to prevent disruption to financial markets or other financial systems in Japan would not adversely affect the rights of holders of the Senior Notes or the value of any holder's investment in the Senior Notes. For example, if the shares of SMFG's subsidiaries are transferred to a bridge financial institution or such other financial institution as determined by the DIC, SMFG would only be entitled to receive consideration representing the fair value of such shares, which could be significantly less than the book value of such shares. As a result, the recovery value of SMFG's residual assets in court-administered insolvency proceedings after the exercise of orderly resolution measures by the DIC may not be sufficient to fully satisfy its liabilities, including its obligations under the Senior Notes. In addition, the value of assets subject to a prohibition of attachment may decline while such prohibition is in effect, and following such period, holders will be unable to attach any assets that have been transferred to a bridge financial institution or such other financial institution as part of SMFG's orderly resolution.

The circumstances surrounding or triggering orderly resolution are unpredictable.

The occurrence of orderly resolution under the Deposit Insurance Act is inherently unpredictable and depends on a number of factors that may be beyond SMFG's control. Under the current framework, the commencement of the orderly resolution process is dependent upon, among other things, a determination by the Prime Minister, following deliberation by Japan's Financial Crisis Response Council, regarding SMFG's viability, or the viability of one or more of its subsidiaries, and the risk that any failure may cause significant disruption in the financial markets or other financial systems in Japan. Under the Japanese TLAC Standards, as a possible model of a resolution of Japanese G-SIBs under the SPE resolution strategy, the application of Specified Item 2 Measures (*tokutei dai nigo sochi*) to SMFG may result from, among other things, a loan that SMFG extended to, or an investment SMFG made in, or any other internal TLAC of, SMBC or any of SMFG's other material subsidiaries that are designated as systemically important by the FSA or that are subject to TLAC requirements or similar requirements by the relevant foreign authorities, being subjected to loss absorption before the failure of such subsidiary, pursuant to the terms of such loan or investment or other internal TLAC or in accordance with applicable laws or regulations then in effect. However, according to the Japanese TLAC Standards, the actual measures to be taken with respect to a Japanese G-SIB shall be determined by the relevant authorities on a case-by-case basis after taking into consideration the Japanese G-SIB's actual condition. In addition, the application of orderly resolution measures under the Deposit Insurance Act is untested and will be subject to interpretation and application by the relevant regulatory and supervisory authorities in Japan. Moreover, it is uncertain how the relevant authorities would determine that SMFG's liabilities exceed or are likely to exceed its assets, or SMFG has suspended or is likely to suspend payment of its obligations, which determination is required to commence an orderly resolution, and it is possible that particular circumstances that seem similar may result in different outcomes. SMFG's creditors, including holders of its Notes, may encounter difficulty in challenging the application of orderly resolution measures to SMFG.

It may be difficult to predict when, if at all, SMFG may become subject to orderly resolution. Accordingly, the market value of the Notes may not necessarily be evaluated in a similar manner as other types of senior securities. Any indication that SMFG is approaching circumstances that could result in it becoming subject to orderly resolution can be expected to have an adverse effect on the market price and liquidity of the Notes.

Risks Related to Subordinated Notes issued by SMFG

Because the Subordinated Notes are intended to qualify as regulatory capital instruments with loss absorbing capacity, they contain non-viability loss absorption provisions which subject them to a contractual Write-Down upon the occurrence of a Non-Viability Event. Such Non-Viability Event may

result from the non-viability of material subsidiaries of SMFG which may trigger the loss absorption provisions of such material subsidiary's internal TLAC instruments. As a result of a Write-Down, the holders of the Subordinated Notes may lose the entire value of their investment. Holders of the Subordinated Notes will only receive notice of a Non-Viability Event after it has occurred.

In connection with the amendment of the Deposit Insurance Act in March 2014, the FSA made an announcement clarifying the requirement of loss absorbency at the point of non-viability for Tier 2 instruments under Basel III. According to the FSA's announcement, Tier 2 instruments under Basel III issued by a financial holding company, such as SMFG, must be written down or converted into common shares when the Prime Minister confirms that Specified Item 2 measures (*tokutei dai nigo sochi*), which are the measures set forth in Article 126-2, Paragraph 1, Item 2 of the Deposit Insurance Act (including any successor articles thereto), as then in effect, need to be applied to the financial holding company.

The Subordinated Notes are intended to qualify as Tier 2 Capital for SMFG and contain non-viability loss absorption provisions. Under such provisions, if a Non-Viability Event occurs, the Subordinated Notes will be subject to a Write-Down on the Write-Down Date, which means that the full principal amount of the Subordinated Notes will be permanently written down to zero, the Subordinated Notes will be cancelled and the holders of the Subordinated Notes will be deemed to have irrevocably waived their right to claim or receive any payments of principal of or interest on the Subordinated Notes (including additional amount with respect thereto, if any) unless such payments have become due and payable prior to the occurrence of the Non-Viability Event.

A "Non-Viability Event" will be deemed to have occurred when the Prime Minister of Japan, following deliberation by Japan's Financial Crisis Response Council pursuant to the Deposit Insurance Act, confirms (*nintei*) that Specified Item 2 Measures (*tokutei dai nigo sochi*) need to be applied to SMFG under circumstances where its liabilities exceed or are likely to exceed its assets, or it has suspended or is likely to suspend payment of its obligations. See "Item 4. Information on the Company—4.B. Business Overview—Regulations in Japan—Regulations for Stabilizing the Financial System—Deposit Insurance System" in SMFG's annual report on Form 20-F for the fiscal year ended 31 March 2021, which is incorporated herein by reference.

Upon the occurrence of a Non-Viability Event, a Write-Down of the Subordinated Notes shall occur irrespective of whether SMFG has sufficient assets available to fulfil its obligations under, or settle the claims of holders of, the Subordinated Notes or other securities that rank *pari passu* with or junior to the Subordinated Notes, or whether such other securities remain outstanding after the occurrence of a Non-Viability Event.

Furthermore, except for claims for payments under the Subordinated Notes that have become due and payable prior to the occurrence of a Non-Viability Event, upon the occurrence of a Non-Viability Event, the holders of the Subordinated Notes will have no rights under the Subordinated Notes to take any action or enforce any rights whatsoever, may not exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to such holder by SMFG under, or in connection with, the Subordinated Notes, and will not be entitled to make any claim in any bankruptcy, insolvency, liquidation or similar proceedings involving SMFG or have any ability to initiate or participate in any such proceedings. See "Terms and Conditions of the SMFG Notes—Condition 10 (Write-Down upon a Non-Viability Event)".

In line with the Japanese TLAC Standards, SMFG intend (i) for the Subordinated Notes to qualify as external TLAC instruments and (ii) to use the proceeds of the offering of the Subordinated Notes to extend a subordinated loan, intended to qualify as internal TLAC, to SMBC, which is designated as one of SMFG's material subsidiaries in Japan. In accordance with the Japanese TLAC Standards, the subordinated loan has a contractual loss absorption provision that will act to discharge or extinguish the loan upon a determination by the FSA that SMBC is non-viable due to material deterioration of its financial condition after recognising that its liabilities exceed or are likely to exceed its assets, or that it has suspended or is likely to suspend payment of its obligations. The subordinated loan is also intended to qualify as Tier 2 Capital for SMBC, and, as such, contains provisions that are designed to satisfy the loss absorbency requirements for Tier 2 Capital under the applicable Japanese banking regulations. For more information about the Japanese TLAC Standards, see "RISK FACTORS—Risks Related to Senior Notes issued by SMFG—Senior Notes issued by SMFG will be subject to loss absorption if SMFG becomes subject to orderly resolution measures under the Deposit Insurance Act

and Japanese insolvency laws. As a result, the value of such Senior Notes could be materially adversely affected, and holders of such Senior Notes may lose all or a portion of their investment".

In part because of their contractual loss absorbency features, both the Subordinated Notes and the subordinated loan are expected to contribute to the resolvability of the SMBC Group, consistent with the FSA's framework for resolving financial institutions as described in the explanatory paper "The FSA's Approach to Introduce the TLAC Framework," which was published by the FSA in April 2016 and revised in April 2018. There, the FSA identified SPE, resolution, in which resolution powers are applied to the ultimate holding company of a banking group by a single national resolution authority, as the preferred strategy for resolving currently designated G-SIBs in Japan. See "RISK FACTORS—Risks Related to Senior Notes issued by SMFG—Senior Notes issued by SMFG will be subject to loss absorption if SMFG becomes subject to orderly resolution measures under the Deposit Insurance Act and Japanese insolvency laws. As a result, the value of such Senior Notes could be materially adversely affected, and holders of such Senior Notes may lose all or a portion of their investment." for more details of the SPE resolution strategy.

Following the write-down or conversion into common shares of internal TLAC instruments of the relevant material subsidiary, the relevant Domestic Resolution Entity's liabilities may exceed its assets or it may suspend payment of its obligations. Under the Deposit Insurance Act, if the Prime Minister recognises that liabilities of a financial institution, including a currently designated Domestic Resolution Entity, exceed or are likely to exceed its assets, or that it has suspended or is likely to suspend payment of its obligations and further recognises that the failure of such financial institution may cause significant disruption in the financial markets or other financial systems in Japan, following deliberation by Japan's Financial Crisis Response Council, the Prime Minister may confirm that Specified Item 2 Measures (*tokutei dai nigo sochi*) should be applied to such financial institution. Any such confirmation by the Prime Minister triggers the non-viability loss absorption provisions of Basel III Additional Tier 1 and Tier 2 instruments issued by the financial institution, causing such instruments to be written down or, if applicable, converted into common shares. See "Item 4. Information on the Company—4.B. Business Overview—Regulations in Japan—Regulations for Stabilizing the Financial System—Deposit Insurance System" in SMFG's annual report on Form 20-F for the fiscal year ended 31 March, 2021, which is incorporated by reference in this Base Prospectus. In the context of the Subordinated Notes, such confirmation by the Prime Minister triggers a Non-Viability Event and the Subordinated Notes will be subject to a Write-Down on the Write-Down Date which means that the full principal amount of the Subordinated Notes will be permanently written down to zero, the Subordinated Notes will be cancelled and the holders of the Subordinated Notes will be deemed to have irrevocably waived their right to claim or receive any payments of principal of or interest on the Subordinated Notes (including additional amounts with respect thereto, if any) unless such payments have become due and payable prior to the occurrence of the Non-Viability Event as described above.

The circumstances surrounding or triggering a Non-Viability Event are unpredictable.

The occurrence of a Non-Viability Event, and therefore a Write-Down of the Subordinated Notes, is inherently unpredictable and depends on a number of factors that may be beyond SMFG's control. The occurrence of a Non-Viability Event is dependent upon, among other things, a determination by the Prime Minister, following deliberation by Japan's Financial Crisis Response Council, regarding the viability of SMFG or one or more of its subsidiaries and the risk that any failure may cause significant disruption in the financial markets or other financial systems in Japan. Under the Japanese TLAC Standards, as a possible model of a resolution of Japanese G-SIBs under the SPE resolution strategy, the application of Specified Item 2 Measures (*tokutei dai nigo sochi*) to SMFG may result from, among other things, a loan that SMFG extended to, or an investment SMFG made in, or any other internal TLAC of, SMBC or any of SMFG's other material subsidiaries that are designated as systemically important by the FSA or that are subject to TLAC requirements or similar requirements by the relevant foreign authorities, being subjected to loss absorption before the failure of such subsidiary, pursuant to the terms of such loan or investment or other internal TLAC or in accordance with applicable laws or regulations then in effect. However, according to the Japanese TLAC Standards, the actual measures to be taken with respect to a Japanese G-SIB shall be determined by the relevant authorities on a case-by-case basis after taking into consideration the Japanese G-SIB's actual condition. In addition, the application of orderly resolution measures under the Deposit Insurance Act is untested and will be subject to interpretation and application by the relevant regulatory and supervisory authorities in Japan. Moreover, it is uncertain how

the relevant authorities would determine that SMFG's liabilities exceed or are likely to exceed its assets, or it has suspended or is likely to suspend payment of its obligations, which determination would trigger a Non-Viability Event under the Subordinated Notes, and it is possible that particular circumstances that seem similar may result in different outcomes. SMFG's creditors, including holders of the Subordinated Notes, may encounter difficulty in challenging the application of order resolution measure to SMFG, including the occurrence of a Non-Viability Event. See "RISK FACTORS—Risks Related to Senior Notes issued by SMFG—Senior Notes issued by SMFG will be subject to loss absorption if SMFG becomes subject to orderly resolution measures under the Deposit Insurance Act and Japanese insolvency laws. As a result, the value of such Senior Notes could be materially adversely affected, and holders of such Senior Notes may lose all or a portion of their investment." for more details of the SPE resolution strategy.

Due to the uncertainty regarding whether a Non-Viability Event will occur, it will be difficult to predict when, if at all, a Write-Down may occur. Accordingly, the market value of the Subordinated Notes may not necessarily be evaluated in a similar manner as other types of subordinated securities. Any indication that SMFG is approaching circumstances that could result in the occurrence of a Non-Viability Event can be expected to have an adverse effect on the market price and liquidity of the Subordinated Notes.

Although SMFG has agreed to notify the holders of the Subordinated Notes on the date of or as soon as practicable after the occurrence of a Non-Viability Event, there will be a delay between the Non-Viability Event and the time that the holders of the Subordinated Notes are notified of the occurrence of the Non-Viability Event. Notwithstanding any such delay, the holders of the Subordinated Notes will not have any rights against SMFG immediately upon the occurrence of the Non-Viability Event, regardless of whether they have received actual or constructive notice of such fact, except with respect to claims for payments under the Subordinated Notes that have become due and payable prior to the occurrence of the Non-Viability Event.

Subordination of the Subordinated Notes could impair investors' ability to receive payment.

Upon the occurrence and continuation of a Subordination Event, any amounts payable under the Subordinated Notes (except for any amounts that have become due and payable, other than solely by way of acceleration, prior to the occurrence of the Subordination Event) will be subordinated and subject in right of payment in full to the prior payment of all of SMFG's existing and future senior indebtedness. The Subordinated Notes do not contain any limitations on the amount of senior indebtedness or other liabilities that SMFG may hereafter incur or assume (including through guarantee obligations) or on the amount of indebtedness or other liabilities that its subsidiaries may hereafter incur.

In addition, as a holding company, SMFG's assets consist primarily of equity in its subsidiaries and its ability to make payments on the Subordinated Notes depends on its receipt of dividends, loan payments and other funds from its subsidiaries, including SMBC. Accordingly, claims of holders of the Subordinated Notes will be effectively and structurally subordinated to the indebtedness and liabilities of SMFG's subsidiaries, including SMBC. If SMFG's subsidiaries' financial conditions materially deteriorate, or under certain other conditions, SMFG may not be able to receive such funds from its subsidiaries due to legal restrictions, including under the Banking Act, the Companies Act and the Deposit Insurance Act or as a result of contractual obligations, including loss absorption requirements, applicable to such subsidiaries. In addition, SMFG's right to participate in any distribution of assets of any subsidiary in bankruptcy, corporate reorganisation, civil rehabilitation, liquidation or similar proceedings will be junior to creditors of that subsidiary, except to the extent that SMFG may be recognised as a creditor of those subsidiaries in such proceedings. Claims of creditors of SMFG's subsidiaries include substantial amounts of long-term debt, deposit liabilities of SMBC and other banking subsidiaries, short-term borrowings, obligations under derivative transactions, trade payables and lease obligations. As a result, holders of the Subordinated Notes may receive less than full payment in the event of SMFG's subsidiaries' bankruptcy, corporate reorganisation, civil rehabilitation, liquidation or similar proceeding, even though the claims of creditors of SMFG's subsidiaries may be satisfied in full.

The Subordinated Notes are subject to limited rights of acceleration.

Payment of principal on the Subordinated Notes may be accelerated only in the case of certain Subordination Events, as further described in "Terms and Conditions of the SMFG Notes". Holders of the Subordinated Notes will not have any right to accelerate the payment of principal on the Subordinated Notes if

SMFG fails to pay interest on the Subordinated Notes or if SMFG fails in the performance of any of its other obligations under the Subordinated Notes.

Settlement activities of the Subordinated Notes through the relevant clearing systems may be disrupted following the occurrence of a Non-Viability Event.

Upon the occurrence of a Non-Viability Event, SMFG will deliver a Write-Down Notice to the holders of an interest in the Subordinated Notes though the relevant clearing systems. Once the relevant clearing systems become aware of the delivery of a Non-Viability Event, and depending on the then applicable procedures adopted by the relevant clearing systems and any instructions that the relevant clearing systems may receive or request, the relevant clearing systems may suspend clearance and settlement of the Subordinated Notes though their respective systems. In such event, a holder of an interest in the Subordinated Notes may not be able to settle the sale or transfer of any Subordinated Notes though such clearing systems, including sales or other transfers of the Subordinated Notes initiated both prior to and after the occurrence of the Non-Viability Event, all of which may be rejected by, and may not be settled within, such clearing systems. In this circumstance, transferors of the Subordinated Notes would not receive any consideration through the relevant clearing systems in respect of such intended transfer.

Conversely, depending on the procedures adopted by the relevant clearing systems and any instructions that the relevant clearing systems may receive or request, it is also possible that a sale or transfer of Subordinated Notes though the relevant clearing systems initiated prior to or after the Non-Viability Event may still complete after the occurrence of a Non-Viability Event. Any purchaser of the Subordinated Notes in a secondary market trade that settles through the relevant clearing systems after the occurrence of a Non-Viability Event bears the consequences that, on the Write-Down Date, the principal amount of the Subordinated Notes will be permanently written down to zero and the Subordinated Notes will be cancelled.

Risks related to the Notes generally

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained and incorporated by reference in this Base Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks pertaining to an investment in the Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) thoroughly understand the conditions of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes are unsecured obligations.

The Notes are unsecured obligations of the Issuer and repayment of the Notes may be compromised if:

- the Issuer enters into bankruptcy, corporate reorganisation, civil rehabilitation, liquidation or similar proceeding;
- the Issuer defaults in payment of any existing or future indebtedness; or
- any of the Issuer's existing or future indebtedness is accelerated.

If any of these events occurs then the Issuer's assets may be insufficient to pay amounts due on the Notes.

The Notes do not restrict the Issuer's ability or the ability of its subsidiaries to pledge, dispose or securitise its assets, pay dividends, incur indebtedness or issue or repurchase securities, and provide holders with limited protection in the event of a change in control and other actions the Issuer may take that could adversely impact the prospective investor's investment in the Notes.

The Notes do not contain any financial covenants or restrictions on the Issuer's ability, or the ability of its subsidiaries, to pledge assets to secure any indebtedness, securitise assets, pay dividends on its shares of common stock, incur or assume additional indebtedness or other liabilities or repurchase its outstanding securities. These or other actions by the Issuer could adversely affect its ability to pay amounts due on the Notes. In addition, the indenture and the Notes do not contain any covenants or other provisions that afford more than limited protection to holders of the Notes in the event of a change in control.

Notes may be subject to redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer is allowed to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. In particular, the Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate.

Furthermore, the Issuer is permitted to redeem the Notes under certain circumstances as provided under the relevant conditions, including for taxation reasons and, in the case of Subordinated Notes issued by SMFG, for regulatory reasons. Potential investors should consider reinvestment risk in light of other investments available at that time. In addition, any early redemption of Notes by SMFG may be subject to the confirmation of the FSA, regardless of whether such redemption would be favourable or unfavourable to the holders of the Notes.

Index linked notes and dual currency notes

Notes issued by SMBC may be issued with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "Relevant Factor"). In addition, Notes may be issued with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Notes may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;

- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Variable redemption notes

SMBC may issue Notes where the final redemption amount payable in respect of such Notes is variable and as a result the redemption proceeds may be less than the nominal amount of the Notes, irrespective of the credit rating or repayment ability of the Issuer.

Partly paid notes

SMBC may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable rate notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include such features.

Fixed/Floating rate notes

Fixed/floating rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the fixed/floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes Linked to LIBOR (including Floating Rate Notes)

Reference rates and indices, including interest rate benchmarks, such as the London Interbank Offered Rate ("LIBOR"), which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("Benchmarks"), have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated. These reforms and changes may cause a Benchmark to perform differently than it has done in the past or to be discontinued.

In March 2021, the U.K. Financial Conduct Authority, which has regulatory authority with respect to LIBOR, announced that all LIBOR settings will either cease to be provided by any administrator or no longer be representative (i) after 31 December 2021 in the case of all sterling, euro, Swiss franc and Japanese yen settings and the one-week and two-month U.S. dollar settings and (ii) after 30 June 2023 in the case of the remaining U.S. dollar settings.

The Programme allows for the issuance of Notes that reference a Benchmark. The Final Terms for Notes will specify whether a Benchmark is applicable. Under the current provisions in the Conditions, in the case of floating rate Notes where Screen Rate Determination is specified as the manner in which the Rate of Interest is to be determined, the provisions operates in such a way that if the relevant Benchmark is permanently discontinued and cannot be determined under the existing fallback mechanism, the Rate of Interest for the floating rate Notes will be determined by reference to the prior Interest Period, which may result in Notes linked to, or referencing a Benchmark performing differently (including paying a lower rate of interest) than they

would do if such Benchmark were to continue to apply in its current form, or result in the effective application of a fixed rate to the floating rate Notes. Any such consequence could have a material adverse effect on the value and marketability of, and return on, any Notes linked to a Benchmark.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Modification, waivers and substitution

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain Written Resolutions on matters relating to the Notes from Noteholders without calling a meeting. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

A Written Resolution signed by or on behalf of the holders of not less than 75 per cent in principal amount of the Notes of the relevant Series who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Agency Agreement and whose Notes are outstanding shall, for all purposes, take effect as an Extraordinary Resolution.

In certain circumstances, where the Notes are held in global form in the clearing systems, the Issuer (as the case may be) will be entitled to rely upon:

(i) where the terms of the proposed resolution have been notified through the relevant clearing system(s), approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent in nominal amount of the Notes of the relevant Series for the time being outstanding; and

(ii) where electronic consent is not being sought, consent or instructions given in writing directly to the Issuer by accountholders in the clearing systems with entitlements to such global note or certificate or, where the accountholders hold such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held (directly or via one or more intermediaries), provided that the Issuer have obtained commercially reasonable evidence to ascertain the validity of such holding and taken reasonable steps to ensure such holding does not alter following the given of such consent/instruction and prior to effecting such resolution;

A Written Resolution or an electronic consent as described above may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Agency Agreement, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Bearer Notes where denominations involve integral multiples

In relation to any issue of Notes in bearer form which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that the Notes may be traded in amounts that are not integral multiples of such minimum Specified Denominations (as defined in the Conditions). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount that is not an integral multiple of the minimum Specified Denomination in its account with the relevant clearing system at the relevant time will not receive a definitive Note in respect of

such amount of its holding that is not an integral multiple of the minimum Specified Denomination (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to an integral multiple of the minimum Specified Denominations.

Risks related to the market or legal environment generally

The secondary market generally

The Notes may have no established trading market upon issue, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but reflect only the view of each rating agency at the time the rating is issued. There is no assurance that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in each rating agency's judgment, circumstances so warrant. Ratings may be affected by a number of factors which can change over time, including the credit rating agency's assessment of: the issuer's strategy and management's capability; the issuer's financial condition including in respect of capital, funding and liquidity; competitive and economic conditions in the issuer's key markets; the level of political support for the industries in which the issuer operates; and legal and regulatory frameworks affecting the issuer's legal structure, business activities and the rights of its creditors. The credit rating agencies may also revise the ratings methodologies applicable to issuers within a particular industry, or political or economic region. If credit rating agencies perceive there to be adverse changes in the factors affecting an issuer's credit rating, including by virtue of changes to applicable ratings methodologies, the credit rating agencies may downgrade, suspend or withdraw the ratings assigned to an issuer and/or its securities.

In particular, Moody's, S&P's and Fitch each published revised methodologies applicable to bank ratings (including the Issuer) during 2015. Further revisions to ratings methodologies and actions on the Issuer's ratings or ratings of its subsidiaries (including but not limited to SMBC) by the credit rating agencies may occur in the future, which may result in downgrading of certain ratings.

A downgrade or potential downgrade in these ratings or the assignment of new ratings that are lower than existing ratings could reduce the number of potential investors in the Notes and adversely affect the prices and liquidity of the Notes. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Legal considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Change of law

The conditions of the Notes are based on English law in effect as at the date of issue of the Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Notes.

TERMS AND CONDITIONS OF THE SMFG NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms (the "Final Terms"), will be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series of Notes issued by SMFG. Either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by deletion of non-applicable provisions), in each case save for the paragraphs in italics, will be endorsed on Bearer Notes or on the Certificates relating to Registered Notes. All capitalised terms which are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. Those definitions will be endorsed on the Bearer Notes or Certificates, as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes which may be issued under the Programme.

The Notes are issued pursuant to an Amended and Restated Agency Agreement dated 31 August 2021 (as amended, supplemented and/or restated as at the issue date of the Notes (the "Issue Date"), the "Agency Agreement") between Sumitomo Mitsui Financial Group, Inc. and Sumitomo Mitsui Banking Corporation as issuers, SMBC Bank International plc as fiscal agent and paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar, the Bank of New York Mellon, London Branch as issuing and authentication agent and the other agents named in it. The Notes will have benefit of the Deed of Covenant dated 31 August 2018 executed by SMFG (as amended or supplemented as at the issue date of the Notes, the "Deed of Covenant"). The fiscal agent, the paying agents, the calculation agent(s) and the registrar for the time being (if any) are referred to below respectively as the "Fiscal Agent", the "Paying Agents" (which expression shall include the Fiscal Agent), the "Calculation Agent(s)" and the "Registrar". The Noteholders (as defined below) and the holders of the coupons (the "Coupons") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "Talons") (the "Couponholders") are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of the Fiscal Agent.

1 Form, Denomination, Title and Interpretation

The Notes are issued in bearer form ("Bearer Notes") or in registered form ("Registered Notes"), in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note, a Fixed/Floating Rate Note, a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates ("Certificates") and, save as provided under Condition 2*(b)*, each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "Register"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and regardless of any notice of ownership, trust or any interest therein, theft or loss thereof or any writing thereon (or on the Certificate representing any Note(s)) made by anyone and no person shall be liable for so treating the holder.

In these Conditions, "Noteholder" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), "holder" (in relation to a Note, Coupon or Talon) means the

bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 Transfers of Registered Notes

(a) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and any other evidence as the Registrar may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate will be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred will be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(b) Partial redemption in respect of Registered Notes

In the case of a partial redemption of a holding of Registered Notes represented by a single Certificate, a new Certificate will be issued to the holder in respect of the balance of the holding not redeemed. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(c) Delivery of new Certificates

Each new Certificate to be issued pursuant to Condition 2(*a*) or (*b*) will be available for delivery within three business days of receipt of the form of transfer and/or surrender of the Certificate for exchange. The new Certificate shall be delivered at the specified office of the Registrar to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar the costs of such method of delivery and/or such insurance as it may specify. In this Condition 2(*c*), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar.

(d) Transfer free of charge

Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment (or the giving of such indemnity as the Registrar may require) in respect of any tax or other governmental charges which may be imposed in relation to it.

(e) Closed periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 5(*d*) or due to regulatory reasons pursuant to Condition 5(*e*), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3 Status

(a) Status of the Senior Notes

The Senior Notes and the Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.

The Senior Notes are expected to be subject to potential losses in the event of the Issuer's liquidation following the application of the orderly resolution powers under the Deposit Insurance Act. See "Risk Factors–Risks Related to Senior Notes issued by SMFG–Senior Notes issued by SMFG will be subject to loss absorption if SMFG becomes subject to orderly resolution measures under the Deposit Insurance Act and Japanese insolvency laws. As a result, the value of such Senior Notes could be materially adversely affected, and holders of such Senior Notes may lose all or a portion of their investment".

(b) Status of the Subordinated Notes

(i) *Status*: The Subordinated Notes and the Coupons relating to them constitute direct and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Subordinated Notes and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all indebtedness that is subordinated to Senior Indebtedness and that is in priority to all of the Issuer's perpetual subordinated indebtedness, including indebtedness in respect of preference or other shares or any other indebtedness which ranks, or is expressed to rank, *pari passu* with, or junior to, indebtedness in respect of perpetual subordinated indebtedness.

The Subordinated Notes are expected to be subject to potential losses in the event of a Write-Down upon a Non-Viability Event of the Issuer following the application of the orderly resolution powers under the Deposit Insurance Act. See "Risk Factors–Risks Related to Subordinated Notes issued by SMFG–The Subordinated Notes contain non-viability loss absorption provisions which subject the Subordinated Notes to a Write-Down upon the occurrence of a Non-Viability Event, as a result of which the holders of the Subordinated Notes may lose the entire value of their investment. Holders of the Subordinated Notes will only receive notice of a Non-Viability Event after it has occurred."

(ii) *Subordination*: Upon the occurrence and continuation of a Subordination Event, the Issuer's obligations under the Subordinated Notes shall be subordinated in right of payment to all Senior Indebtedness and, so long as such Subordination Event continues (and in the case of civil rehabilitation proceedings, so long as neither a Summary Rehabilitation Order nor Consent Rehabilitation Order shall have been issued), no payment will be made under the Subordinated Notes (except for such amounts which shall have become due and payable, other than solely by way of acceleration, prior to the occurrence of a Subordination Event) unless and until (x) in the case of Subordination Event (a), all Senior Indebtedness appearing on the final distribution list prepared by the administrator for the final distribution of bankruptcy assets pursuant to the Bankruptcy Act of Japan (Act No. 75 of 2004, as amended) or any successor legislation thereto (the "Bankruptcy Act"), is paid in full or provision has been made for the payment in full thereof pursuant to the Bankruptcy Act, (y) in the case of Subordination Event (b), all Senior Indebtedness appearing in the plan of reorganisation, at the date such plan has become final and conclusive after approval by a court of competent jurisdiction in Japan, as the Issuer's indebtedness, subject to modification of such plan, is paid in full to the extent of the original amount of such indebtedness without regard to such modification, (z) in the case of Subordination Event (c), all Senior Indebtedness appearing in the plan of rehabilitation, at the date such a plan has become final and conclusive after approval by a court of competent jurisdiction in Japan, as the Issuer's indebtedness, subject to modification in such plan, is paid in full to the extent of the original amount of such indebtedness without regard to such modification or (iv) in the case of Subordination Event (d), conditions equivalent to those set out in (x), (y) or (z) above have been fulfilled; provided that, notwithstanding any provision herein to the contrary, if the imposition of any such condition is not allowed under such proceedings, any amount which becomes due under the Subordinated Notes

shall become payable in accordance with the Conditions and not subject to such impermissible condition.

The rights of the holders of the Subordinated Notes will be reinstated with respect to any payments made to such holders that are subsequently avoided in the bankruptcy, reorganisation or rehabilitation, as though such payments had not been made.

The Issuer shall make no amendment or modification to the subordination provisions contained in these Conditions that is prejudicial to any present or future creditor in respect of any of its Senior Indebtedness. No such amendment or modification shall in any event be effective against any such creditor.

A holder of a Subordinated Note by his acceptance thereof shall thereby agree that if any payment is made to the holder of such Subordinated Note with respect to a payment obligation that did not become due and payable prior to the occurrence of a Subordination Event and the amount of such payment shall exceed the amount, if any, that should have been paid to such holder (upon the proper application of the subordination provision of the Subordinated Note), the payment of such excess amount shall be deemed null and void and such holder will be deemed to hold the same on trust for the Issuer and be obliged to return the amount of the excess payment, and shall also thereby agree that upon the occurrence of a Subordination Event and so long as such Subordination Event shall continue, such holder shall not exercise any right to set off any of the Issuer's liabilities under the Subordinated Note (except for such amounts which shall have become due and payable, other than solely by way of acceleration, prior to the occurrence of a Subordination Event) against any liabilities of such holder owed to the Issuer unless, until and only in such amount as the Issuer's liabilities under the Subordinated Notes become payable pursuant to the proper application of the subordination provisions of the Subordinated Notes.

"Consent Rehabilitation Order" means a decision of a court of competent jurisdiction under Article 217, Paragraph (1) of the Civil Rehabilitation Act to the effect that the procedures for the investigation and confirmation of civil rehabilitation claims as defined in Article 84 of the Civil Rehabilitation Act and the resolution of a civil rehabilitation plan shall be omitted.

"Senior Indebtedness" means all liabilities of the Issuer (including, for the avoidance of doubt, statutory subordinated bankruptcy claims (*retsugoteki hasan saiken*), as defined under the Bankruptcy Act) other than (i) liabilities under the Subordinated Notes which shall not have become due and payable prior to the occurrence of a Subordination Event, (ii) liabilities under the Subordinated Notes which shall have become due and payable solely by way of acceleration prior to such date and (iii) other liabilities ranking *pari passu* with, or junior to, the Subordinated Notes.

"Subordination Event" means any one of the following events:

(a) a court of competent jurisdiction in Japan shall have adjudicated the Issuer to be bankrupt pursuant to the provisions of the Bankruptcy Act;

(b) a court of competent jurisdiction in Japan shall have commenced reorganisation proceedings with respect to the Issuer pursuant to the provisions of the Corporate Reorganisation Act of Japan (Act No. 154 of 2002 as amended; the "Reorganisation Act");

(c) a court of competent jurisdiction in Japan shall have commenced civil rehabilitation proceedings with respect to the Issuer pursuant to the provisions of the Civil Rehabilitation Act of Japan (Act No. 225 of 1999 as amended) or any successor legislation thereto (the "Civil Rehabilitation Act"); or

(d) the Issuer shall have become subject to bankruptcy, corporate reorganisation, civil rehabilitation or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan, which proceedings have an equivalent effect to those set out in (a), (b) or (c) above.

"Summary Rehabilitation Order" means a decision of a court of competent jurisdiction under Article 211, Paragraph (1) of the Civil Rehabilitation Act to the effect that the procedures for the investigation and confirmation of civil rehabilitation claims as defined in Article 84 of the Civil Rehabilitation Act shall be omitted.

For the avoidance of doubt, in the course of any potential bankruptcy proceedings pursuant to the Bankruptcy Act, claims of the holders of the Subordinated Notes (other than claims that shall have become due and payable, other than by way of acceleration, prior to the occurrence of a Subordination Event) will rank junior in priority to statutory subordinated bankruptcy claims (*retsugoteki hasan saiken*), as defined in the Bankruptcy Act, in any distributions in such bankruptcy proceedings. Statutory subordinated bankruptcy claims will constitute Senior Indebtedness.

4 Interest and Other Calculations

(a) Interest on Fixed Rate Notes

(i) *Calculation of Interest*: Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

The amount of interest payable shall be determined in accordance with Condition 4*(h)*.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (B) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (C) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(b) Interest on Floating Rate Notes:

(i) *Interest Payment Dates*: Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4*(h)*. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated hereon) the Margin (if any). For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon;

(y) the Designated Maturity is a period specified hereon; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(x) If the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:

(I) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

(II) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

(y) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (x)(I) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (x)(II) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone (the "Principal Financial Centre") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting

to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(c) Fixed/Floating Rate Notes

The Issuer may issue Notes (i) that the Issuer may elect to convert on the date set out in the relevant Final Terms from a Fixed Rate Note to a Floating Rate Note, or from a Floating Rate Note to a Fixed Rate Note or (ii) that will automatically change from a Fixed Rate Note to a Floating Rate Note, or from a Floating Rate Note to a Fixed Rate Note on the date set out in the relevant Final Terms.

(d) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(*b*)(i)).

(e) Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgement) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).

(f) Margin, Maximum/Minimum Rates of Interest, Redemption Amounts, Rate Multipliers and Rounding:

(i) If any Margin or Rate Multiplier is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(g) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual

Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(h) Determination and Publication of Rates of interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts

As soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4*(b)*(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest payable and the Rate of Interest applicable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need to be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"Business Day" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a "TARGET Business Day"); and/or

(iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "Calculation Period"):

(i) if "Actual/Actual – ISDA" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "Actual/360" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(iv) if "30/360", "360/360" or "Bond Basis" is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(v) if "30E/360" or "Eurobond Basis" is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vi) if "30E/360 (ISDA)" is specified hereon, is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30; and

(vii) if "Actual/Actual-ICMA" is specified hereon.

(A) if the Calculation Period is equal to or shorter than the Determination Period during which if falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (l) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"Determination Period" means each period from and including a Determination Date in any year to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date following after, such date) and

"Determination Date" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

"Effective Date" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such hereon or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"Interest Accrual Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"Interest Amount" means (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"Interest Commencement Date" means the Issue Date or such other date as may be specified hereon. "Interest Determination Date" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified

Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Period Date" means each Interest Payment Date unless otherwise specified hereon.

"ISDA Definitions" means the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

"Page" means such page, section, caption, column or other part of a particular information service as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

"Rate of Interest" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"Reference Banks" means the institutions specified as such hereon or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone).

"Relevant Financial Centre" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such hereon or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, London.

"Relevant Rate" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre or, if no such customary local times exists, 11.00 hours in the Relevant Financial Centre and, for the purpose of this definition, "local time" means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, Brussels Time.

"Representative Amount" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such hereon or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"Specified Currency" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"Specified Duration" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified hereon or, if none is specified, a period of time equal to the relative interest Accrual Period, ignoring any adjustment pursuant to Condition 4*(b)*(ii).

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

(j) Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any interest Amount Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5 Redemption, Purchase and Options

(a) Final Redemption

Unless previously redeemed, purchased and cancelled as provided below, each Note will be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).

(b) Early Redemption

(i) *Zero Coupon Notes*

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note which does not bear interest prior to the Maturity Date, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(*c*) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually, where such calculation is to be made for a period less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(*c*) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(*d*).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(*c*), Condition 5(*d*) or Condition 5(*e*) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) Redemption for Taxation Reasons

Subject to prior confirmation of the Financial Services Agency of Japan (the "FSA") (if such confirmation is required under applicable Japanese laws or regulations then in effect), the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days' notice of redemption to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5*(b)* above) (together with interest accrued to the date fixed for redemption) if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 and such obligation cannot be avoided by the Issuer taking reasonable measures available to it or (ii) in the case of Subordinated Notes only, there is more than an insubstantial risk that, for Japanese corporate tax purposes, any portion of the interest payable on the Subordinated Notes is not or will not be deductible from the Issuer's taxable income or is or will be required to be deducted from the amount to be excluded from its taxable gross receipts and such tax treatment cannot be avoided by the Issuer taking reasonable measures available to it, in each case of (i) or (ii) above, as a result of any change in, or amendment to, the laws or regulations of Japan or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which the Issuer enters into a contract with one or more of the Dealers pursuant to which it becomes bound to issue the first tranche of the Notes; provided, that in the case of (i) above, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by an authorised officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal or tax adviser of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts or there is more than an insubstantial risk that any part of interest to be payable on the Subordinated Notes is not or will not be deductible from the Issuer's taxable income or is or will be required to be deducted from the amount to be excluded from its taxable gross receipts, as a result of such change or amendment.

(d) Redemption at the Option of the Issuer and Exercise of Issuer's Options

If Call Option is specified hereon, the Issuer may, subject to prior confirmation of the FSA (if such confirmation is required under applicable Japanese laws or regulations then in effect), on giving irrevocable notice to the Noteholders with such notice period as may be specified hereon redeem, or exercise any Issuer's option (as may be described hereon) in relation to, all or, if so provided, some of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified hereon and no greater than the maximum nominal amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the serial numbers or the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, as the case may be, to be redeemed or in respect of which such option has been exercised, which shall have

been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) Redemption for Regulatory Reasons

The provisions of this Condition 5*(e)* apply only to Subordinated Notes.

Subject to prior confirmation of the FSA, the Subordinated Notes may be redeemed at the option of the Issuer, in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice of redemption to the holders of the Subordinated Notes (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(*b*) above) (together with interest accrued to the date fixed for redemption) if, as a result of any change in, or amendment to, the Applicable Banking Regulations, which change or amendment becomes effective on or after the Issue Date of the Subordinated Notes, the Issuer determines after consultation with the FSA that there is more than an insubstantial risk that the Subordinated Notes will be fully excluded from the Issuer's Tier 2 Capital under the applicable standards set forth in the Applicable Banking Regulations and such exclusion cannot be avoided by the Issuer through the taking of reasonable measures available to it. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by an authorised officer stating that the conditions precedent to its right to so redeem have been fulfilled.

"Tier 2 Capital" means, any and all items constituting Tier 2 capital, as defined in the Applicable Banking Regulations.

"Applicable Banking Regulations" means, at any time, the capital adequacy regulations, public ministerial announcements, guidelines and policies then in effect of the FSA or other governmental authority that are applicable to the Issuer, including, without limitation, the Public Ministerial Announcement (*kokuji* (No. 20 of the FSA Public Ministerial Announcement of 2006, as amended)).

(f) Purchases

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price, subject to prior confirmation of the FSA (if such confirmation is required under applicable Japanese laws or regulations then in effect).

(g) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, will, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6 Payment and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 6(*f*)(v)) or Coupons (in the case of interest, save as specified in Condition 6(*f*)(v)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. "Bank" means a bank in the principal financial centre for such currency or, (i) in the case of euro, the transfer may be to a euro account in a city in which banks have access to the TARGET System, and (ii) in the case of Japanese yen, the transfer shall be to a non-resident Japanese yen account (in the case of payment to a non-resident of Japan).

(b) Registered Notes

(i) Payments of principal in respect of Registered Notes will be made against presentation and surrender of the relevant Certificates at the specified office of the Registrar or any Paying Agent and in the manner provided in paragraph (ii) below.

(ii) Interest on Registered Notes will be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note will be made at the specified office of any Paying Agent in the relevant currency in which such payments are due by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address outside Japan appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Paying Agent before the Record Date such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts of the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments subject to Fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, the Paying Agents, the Registrar and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer will at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) one or more Calculation Agent(s) where the Conditions so require and (iv) such other agents as may be required by the stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Notes denominated in U.S. dollars in the circumstances described in paragraph *(c)* above.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 14.

(f) Unmatured Coupons and unexchanged Talons

(i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Account, as the case may be, due for payment. Any amount so

deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) If the relative Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Note which provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and, if necessary, another Talon for a further Coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 8).

(h) Non-Business Days

If any date for payment, determined in accordance with Condition 4, in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Financial Centres" hereon and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of payment in euro) which is a TARGET Business Day.

7 Taxation

All payments of principal and interest in respect of the Notes and Coupons will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax (the "Taxes"), unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts ("Additional Amounts") as will result in the receipt by the holders of such amounts as would have been received by them had no such deduction or withholding been required, except that no Additional Amounts shall be payable with respect to any Note or Coupon:

(i) Other connection: to, or a third party on behalf of, a holder (i) who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (other than a designated financial institution which does not fall under item (ii) below) or a Japanese non-resident being a

specially-related person of the Issuer or (ii) who fails to comply with the Japanese tax law requirements in respect of the exemption from such withholding or deduction or (iii) who is otherwise subject to such Taxes by reason of its having some connection with Japan other than the mere holding of such Note or Coupon; or

(ii) Presentation more than 30 days after the Relevant Date: presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on such thirtieth day.

Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes and Coupons by or on behalf of the Issuer, will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "FATCA Withholding"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

For the purpose of the paragraphs above, unless the context otherwise requires, the following defined terms shall have the meaning set out below:

"Japanese non-resident" means a person that is not an individual resident of Japan or a Japanese corporation for Japanese tax purposes;

"designated financial institution" means a Japanese financial institution or a Japanese financial instruments business operator designated by the Cabinet Order pursuant to Article 6, Paragraph 11 of the Special Taxation Measures Act of Japan (Law No. 26 of 1957, as amended) (the "Special Taxation Measures Act"); and

"specially-related person of the Issuer" means a person having a special relationship with the Issuer as prescribed in Article 6, Paragraph 4 of the Special Taxation Measures Act.

If (i) subsequent to making a payment on the Notes or Coupons without withholding or deduction of Japanese taxes the Issuer is required to remit to the Japanese tax authority any amount in respect of Japanese taxes that should have been withheld or deducted from such payment (together with any interest and penalties) due to the failure of the beneficial owner to provide accurate interest recipient information or to otherwise properly claim an exemption from Japanese taxes imposed with respect to such payment, and (ii) such beneficial owner would not have been entitled to receive additional amounts with respect to such payment had Japanese taxes been withheld from the payment when it was made, such beneficial owner (but not any subsequent beneficial owner of the Notes or Coupons) shall be required to reimburse the Issuer, in Japanese yen, for the amount remitted by the Issuer to the Japanese tax authority.

As used in these Conditions, "Relevant Date" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 14 that, upon further presentation of the Note (or respective Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "interest" shall be deemed to include all interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any additional amounts which may be payable under this Condition.

8 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect thereof.

9 Events of Default, Event of Acceleration and Limitation of Enforcement Rights

(a) Events of Default and Limitation of Enforcement Rights

The provisions of this Condition 9*(a)* only apply to Senior Notes.

If any of the following events (an "Event of Default") occurs, the holder of any Senior Note may by written notice given to the Fiscal Agent, effective upon receipt thereof by the Fiscal Agent, declare that such Senior Note is immediately repayable, whereupon the Redemption Amount of such Senior Note together with accrued interest to the date of payment shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which the Issuer hereby expressly waives, anything contained in these Conditions to the contrary notwithstanding, unless prior to the time when the Fiscal Agent receives such notice all Events of Default provided for herein in respect of the Senior Notes shall have been cured:

(i) Non-Payment: default is made for a period of more than 30 days in the payment of principal or interest due in respect of the Senior Notes; or

(ii) Breach of Other Obligations: default is made by the Issuer in the performance or observance of any other covenant, term or agreement of the Issuer under the Senior Notes and such default is continuing for the period of 90 days after the date on which written notice of such default, requiring the Issuer to remedy the same, shall first have been given to the Issuer by any holder of the Senior Notes; or

(iii) Insolvency: Except for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction under which the continuing corporation, or the corporation formed as a result thereof, effectively assumes the entire obligations of the Issuer in relation to the Senior Notes:

(A) a decree or order by any court having jurisdiction shall have been issued adjudging the Issuer bankrupt or insolvent, or approving a petition seeking its reorganisation or liquidation under bankruptcy, civil rehabilitation, reorganisation or insolvency law of Japan, and such decree or order shall have continued undischarged and unstayed for a period of 90 days; or

(B) a final and non-appealable order of a court of competent jurisdiction shall have been made for winding up or dissolution of the Issuer; or

(C) the Issuer shall have initiated or consented to proceedings relating to itself under bankruptcy, civil rehabilitation, reorganisation or insolvency law of Japan; or

(D) an effective resolution shall have been passed by the Issuer for its winding up or dissolution,

Notwithstanding any other provision of these Conditions, each holder of the Senior Notes acknowledges, consents and agrees, whether or not notice of such event shall have been made by the Issuer:

(i) for a period of 30 days from and including the date upon which the Prime Minister of Japan (the "Prime Minister") confirms that Specified Item 2 Measures (*tokutei dai nigo sochi*) should be applied to the Issuer, not to initiate any action to attach any assets, the attachment of which has been prohibited by designation of the Prime Minister pursuant to Article 126-16 of the Deposit Insurance Act of Japan (the "Deposit Insurance Act") (or any successor provision thereto), and

(ii) to any transfer of the Issuer's assets (including shares of the Issuer's subsidiaries) or liabilities, or any portions thereof, with permission of a Japanese court in accordance with Article 126-13 of the Deposit Insurance Act (or any successor provision thereto), including any such transfer made pursuant to the authority of the Deposit Insurance Corporation to represent and manage and dispose of the Issuer's assets under Article 126-5 of the Deposit Insurance Act (or any successor provision

thereto), and that any such transfer shall not constitute an Event of Default or breach of these Conditions.

As soon as practicable after (i) the Prime Minister confirms that Specified Item 2 Measures (*tokutei dai nigo sochi*) should be applied to the Issuer and/or (ii) a Japanese court publicly announces that it has granted permission to a transfer of the Issuer's assets (including shares of its subsidiaries) or liabilities, or any portions thereof, in accordance with Article 126-13 of the Deposit Insurance Act (or any successor provision thereto), the Issuer shall deliver a notice of such event to the holders of Senior Notes in accordance with Condition 14. Provided that, any failure or delay in the delivery of such notice by the Issuer shall not alter or delay the effect of the acknowledgement, consent and agreement of the holders of Senior Notes in this Condition 9.

These provisions are intended to facilitate the Issuer's orderly resolution under the Deposit Insurance Act and Japanese insolvency proceedings. See "Risk Factors – Risks Related to Senior Notes issued by SMFG – Senior Notes issued by SMFG will be subject to loss absorption if SMFG becomes subject to orderly resolution measures under the Deposit Insurance Act and Japanese insolvency laws. As a result, the value of such Senior Notes could be materially adversely affected, and holders of such Senior Notes may lose all or a portion of their investment".

Subject to applicable law, each holder of the Senior Notes, by acceptance of any interest in the Senior Notes, agrees that it will not, and waives all rights to, exercise, claim or plead any right of set off or counterclaim in respect of any amount owed to it by the Issuer arising under, or in connection with, the Senior Notes.

(b) Event of Acceleration

The provisions of this Condition 9*(b)* only apply to Subordinated Notes.

If a Subordination Event has occurred and is continuing, and provided that a Non-Viability Event has not occurred, any holders of Subordinated Notes may by written notice given to the Fiscal Agent, effective upon receipt thereof by the Fiscal Agent, declare the nominal amount of, and all interest accrued on, the Subordinated Notes held by the Noteholder to be immediately due and payable (an "Event of Acceleration"), whereupon the same shall become immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which the Issuer hereby expressly waives, anything contained in these Conditions to the contrary notwithstanding. Except as provided above, holders of the Subordinated Notes will not have any right to accelerate any payment of principal or interest in respect of the Subordinated Notes.

If a court of competent jurisdiction shall (i) rescind or terminate a bankruptcy action with respect to the Issuer without a distribution of assets pursuant to the Bankruptcy Act, (ii) rescind or terminate a reorganisation proceeding with respect to the Issuer without approving the plan of reorganisation pursuant to the Reorganisation Act or (iii) rescind or terminate a rehabilitation proceeding without approving the plan of rehabilitation, or a Summary Rehabilitation Order or Consent Rehabilitation Order is issued, pursuant to the Civil Rehabilitation Act, then such Event of Acceleration shall have the same effect as if it had not occurred.

10 Write-Down upon a Non-Viability Event

The provisions of this Condition 10 only apply to Subordinated Notes.

If a Non-Viability Event occurs, the Subordinated Notes will be subject to a "Write-Down" on the Write-Down Date, automatically and without any additional action by the Issuer or the holders of the Subordinated Notes.

Upon the Write-Down:

(i) the full principal amount of each Subordinated Note, except for principal that has become due and payable prior to the occurrence of the Non-Viability Event, will be permanently written down to zero and the Subordinated Notes will be cancelled; and

(ii) the holders of the Subordinated Notes will be deemed to have irrevocably waived their right to claim or receive, and will not have any rights against the Issuer with respect to, payment of principal of or interest on the Subordinated Notes (including additional amounts with respect thereto, if any), except for any payments of principal or interest (including additional amounts with respect thereto, if any) that have become due and payable prior to the occurrence of the Non-Viability Event.

The Issuer's obligations with respect to, and any claims for, the payment of principal of or interest on the Subordinated Notes (including additional amounts with respect thereto, if any), except for payments of principal or interest (including additional amounts with respect thereto, if any) that have become due and payable prior to the occurrence of the Non-Viability Event, will be suspended from the occurrence of the Non-Viability Event until the Write-Down Date.

Except for claims with respect to payments of principal of or interest on the Subordinated Notes (including additional amounts with respect thereto, if any) that have become due and payable prior to the occurrence of the Non-Viability Event, as described above, upon the occurrence of a Non-Viability Event, (a) the holders of the Subordinated Notes shall have no rights under the Subordinated Notes to take any action or enforce any rights whatsoever, (b) no holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer arising under, or in connection with, the Subordinated Notes and each holder of Subordinated Notes shall, by virtue of its holding of any Subordinated Notes, be deemed to have irrevocably waived all such rights of set-off, compensation or retention and (c) no holder will be entitled to make any claim in any bankruptcy, insolvency or liquidation proceedings involving the Issuer or have any ability to initiate or participate in any such proceedings or do so through a representative.

A "Non-Viability Event" will be deemed to have occurred when the Prime Minister of Japan, following deliberation by Japan's Financial Crisis Response Council pursuant to the Deposit Insurance Act, confirms (*nintei*) that "specified Item 2 measures (*tokutei dai nigo sochi*)", which are the measures set forth in Article 126-2, Paragraph 1, Item 2 of the Deposit Insurance Act (including any successor articles thereto), as then in effect, need to be applied to the Issuer under circumstances where its liabilities exceed or are likely to exceed its assets, or it has suspended or is likely to suspend payment of its obligations.

The Issuer shall, on the date of or as soon as practicable after the occurrence of a Non-Viability Event, deliver a written notice ("Write-Down Notice") to the holders of the Subordinated Notes confirming the occurrence of such Non-Viability Event and the Write-Down Date. Any failure or delay by the Issuer to provide a Write-Down Notice, shall not change or delay the effect of the occurrence of the Non-Viability Event on its payment obligations under the Subordinated Notes.

The "Write-Down Date" means the date on which the Write-Down will become effective, as specified in the relevant Write-Down Notice. The Write-Down Date shall be determined by the Issuer in consultation with the FSA and any other supervisory authorities and shall be no less than one and no more than ten Business Days following the occurrence of the Non-Viability Event.

If any payment on a Subordinated Note is made to a Noteholder with respect to a payment obligation that did not become due and payable prior to the occurrence of a Non-Viability Event, then the payment of such amount shall be deemed null and void and the holder will be deemed to hold the same on trust for the Issuer and be obliged to return the amount of such payment.

11 Meetings of Noteholders and Modification

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including modification by Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders of the Notes (including these Conditions). An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not, and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest thereon, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in respect thereof, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to take any steps which as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum

provisions apply or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution will only be binding if passed at a meeting of the Noteholders (or at any adjournment thereof) at which a special quorum (provided for in the Agency Agreement) is present.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) Modification of Agency Agreement

The Issuer shall only permit, without the consent of the Noteholders, any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

12 Replacement of Notes, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) and the Registrar (in the case of Certificates) or such other Paying Agent, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 14, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

13 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to "Issue Date" shall be the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly.

14 Notices

Notices to the holders of Registered Notes will be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes will be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) and so long as the Notes are listed on the Luxembourg Stock Exchange, published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Holders of Coupons shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition.

15 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note or Coupon is due (whether as a result of, or of the enforcement of, a judgement or order of a court

of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note or Coupon which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note or Coupon, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it will be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgement, order, claim or proof for a liquidated amount in respect of any sum due under any Note or Coupon or any other judgement or order.

16 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17 Governing Law and Jurisdiction

(a) Governing Law

The Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with any Notes, Coupons or Talons and, accordingly, any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons ("Proceedings") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause is for the benefit of each of the holders of the Notes, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

The Issuer irrevocably appoints the General Manager for the time being of SMBC Bank International plc, currently at 99 Queen Victoria Street, London, EC4V 4EH, as its agent, to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.

TERMS AND CONDITIONS OF THE SMBC NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms (the "Final Terms"), will be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series of Notes issued by SMBC. Either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by deletion of non-applicable provisions), in each case save for the paragraphs in italics, will be endorsed on Bearer Notes or on the Certificates relating to Registered Notes. All capitalised terms which are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. Those definitions will be endorsed on the Bearer Notes or Certificates, as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes which may be issued under the Programme.

The Notes are issued pursuant to an Amended and Restated Agency Agreement dated 31 August 2021 (as amended, supplemented and/or restated as at the issue date of the Notes (the "Issue Date"), the "Agency Agreement") between Sumitomo Mitsui Financial Group, Inc. and Sumitomo Mitsui Banking Corporation as issuers, SMBC Bank International plc as fiscal agent and paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar, The Bank of New York Mellon, London Branch as issuing and authentication agent and the other agents named in it. The Notes will have benefit of the Deed of Covenant dated 31 August 2018 executed by SMBC (as amended or supplemented as at the issue date of the Notes, the "Deed of Covenant"). The fiscal agent, the paying agents, the calculation agent(s) and the registrar for the time being (if any) are referred to below respectively as the "Fiscal Agent", the "Paying Agents" (which expression shall include the Fiscal Agent), the "Calculation Agent(s)" and the "Registrar". The Noteholders (as defined below), the holders of the coupons (the "Coupons") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "Talons") (the "Couponholders") and the holders of the receipts for the payment of instalments of principal (the "Receipts") relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of the Fiscal Agent.

1 Form, Denomination, Title and Interpretation

The Notes are issued in bearer form ("Bearer Notes") or in registered form ("Registered Notes"), in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Any Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("Certificates") and, save as provided under Condition 2(b), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "Register"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Receipt, Coupon or Talon shall be overdue and regardless of any

notice of ownership, trust or any interest therein, theft or loss thereof or any writing thereon (or on the Certificate representing any Note(s)) made by anyone and no person shall be liable for so treating the holder.

In these Conditions, "Noteholder" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), "holder" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 Transfers of Registered Notes

(a) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and any other evidence as the Registrar may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate will be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred will be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(b) Partial redemption or exercise of options in respect of Registered Notes

In the case of a partial redemption of a holding of Registered Notes represented by a single Certificate or a partial exercise of an Issuer's or Noteholders' option in respect of a holding of Registered Notes represented by a single Certificate, a new Certificate will be issued to the holder in respect of the balance of the holding not redeemed or in respect of which the relevant option has not been exercised. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(c) Delivery of new Certificates

Each new Certificate to be issued pursuant to Condition 2*(a)* or *(b)* will be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 5*(e)*) and/or surrender of the Certificate for exchange. The new Certificate shall be delivered at the specified office of the Registrar to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar the costs of such method of delivery and/or such insurance as it may specify. In this Condition 2*(c)*, "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar.

(d) Transfer free of charge

Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment (or the giving of such indemnity as the Registrar may require) in respect of any tax or other governmental charges which may be imposed in relation to it.

(e) Closed periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note,

(ii) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 5*(d)*, (iii) after any such Note has been called for redemption in whole or in part or (iv) during the period of seven days ending on (and including) any Record Date.

3 Status

The Notes and the Receipts and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.

4 Interest and Other Calculations

(a) Interest on Fixed Rate Notes

(i) *Calculation of Interest*: Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

The amount of interest payable shall be determined in accordance with Condition 4*(h)*.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (B) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (C) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(b) Interest on Floating Rate Notes and Index Linked Interest Notes:

(i) *Interest Payment Dates*: Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4*(h)*. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated hereon) the Margin (if any). For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon;

(y) the Designated Maturity is a period specified hereon; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(x) If the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:

(I) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

(II) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

(y) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (x)(I) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (x)(II) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent

in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone (the "Principal Financial Centre") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(iv) *Rate of interest for index Linked Interest Notes*: The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5*(b)*(i)).

(d) Dual Currency Notes and Partly Paid Notes

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(e) Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgement) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).

(f) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:

(i) If any Margin or Rate Multiplier is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all

currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(g) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(h) Determination and Publication of Rates of interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts

As soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4*(b)*(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest payable and the Rate of Interest applicable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need to be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"Business Day" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a "TARGET Business Day"); and/or

(iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "Calculation Period"):

(i) if "Actual/Actual – ISDA" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "Actual/360" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(iv) if "30/360", "360/360" or "Bond Basis" is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2 - Y_1)] + [30\times(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and $D1_1$ is greater than 29, in which case D_2 will be 30;

(v) if "30E/360" or "Eurobond Basis" is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2 - Y_1)] + [30\times(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vi) if "30E/360 (ISDA)" is specified hereon, is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2 - Y_1)]+[30\times(M_2 - M_1)]+(D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30; and

(vii) if "Actual/Actual-ICMA" is specified hereon.

(A) if the Calculation Period is equal to or shorter than the Determination Period during which if falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (l) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"Determination Period" means each period from and including a Determination Date in any year to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date following after, such date) and

"Determination Date" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

"Effective Date" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such hereon or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"Interest Accrual Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"Interest Amount" means (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"Interest Commencement Date" means the Issue Date or such other date as may be specified hereon. "Interest Determination Date" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Period Date" means each Interest Payment Date unless otherwise specified hereon.

"ISDA Definitions" means the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

"Page" means such page, section, caption, column or other part of a particular information service as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

"Rate of Interest" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"Reference Banks" means the institutions specified as such hereon or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone).

"Relevant Financial Centre" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such hereon or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, London.

"Relevant Rate" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if no time is specified, the local time in the Relevant Financial

Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre or, if no such customary local times exists, 11.00 hours in the Relevant Financial Centre and, for the purpose of this definition, "local time" means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, Brussels Time.

"Representative Amount" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such hereon or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"Specified Currency" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"Specified Duration" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified hereon or, if none is specified, a period of time equal to the relative interest Accrual Period, ignoring any adjustment pursuant to Condition 4*(b)*(ii).

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

(j) Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Note which provides for Instalment Dates and Instalment Amounts will be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon.

The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided below, each Note will be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) *Early Redemption*

(i) *Zero Coupon Notes*

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note which does not bear interest prior to the Maturity Date, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(*c*) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually, where such calculation is to be made for a period less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(*c*) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(*d*).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(*c*) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) *Redemption for Taxation Reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days' notice of redemption to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(*b*) above) (together with interest accrued to the date fixed for redemption) if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of Japan or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which the Issuer enters into a contract with one or more of the Dealers pursuant to which it becomes bound to issue the first tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by one Director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal or tax adviser of recognised standing to the

effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) Redemption at the Option of the Issuer and Exercise of Issuer's Options

If Call Option is specified hereon, the Issuer may, on giving irrevocable notice to the Noteholders as may be specified hereon redeem, or exercise any Issuer's option (as may be described hereon) in relation to, all or, if so provided, some of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified hereon and no greater than the maximum nominal amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the serial numbers or the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, as the case may be, to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) Redemption at the Option of Noteholders and Exercise of Noteholders' Options

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon), redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders' option which may be set out hereon (which must be exercised on an Option Exercise Date), the holder must deposit such Note with any Paying Agent (in the case of Bearer Notes) or the Certificate representing such Note(s) with the Registrar (in the case of Registered Notes) at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent or the Registrar (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(g) Purchases

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price.

(h) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, will, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6 Payment and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note at the specified office of any of the Fiscal Agent or the Paying Agents), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(*f*)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(*f*)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. "Bank" means a bank in the principal financial centre for such currency or, (i) in the case of euro, the transfer may be to a euro account in a city in which banks have access to the TARGET System, and (ii) in the case of Japanese yen, the transfer shall be to a non-resident Japanese yen account (in the case of payment to a non-resident of Japan).

(b) Registered Notes

(i) Payments of principal (which for the purpose of this Condition 6(*b*) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes will be made against presentation and surrender of the relevant Certificates at the specified office of the Registrar or any Paying Agent and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(*b*) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes will be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note will be made at the specified office of any Paying Agent in the relevant currency in which such payments are due by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address outside Japan appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Paying Agent before the Record Date such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts of the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments subject to Fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, the Paying Agents, the Registrar and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar or the Calculation Agent(s) and to

appoint additional or other Paying Agents, provided that the Issuer will at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) one or more Calculation Agent(s) where the Conditions so require and (iv) such other agents as may be required by the stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 13.

(f) Unmatured Coupons, Receipts and unexchanged Talons

(i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Account, as the case may be, due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) If the relative Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note which provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and, if necessary, another Talon for a further Coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 8).

(h) Non-Business Days

If any date for payment, determined in accordance with Condition 4, in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business

in the relevant place of presentation, in such jurisdictions as shall be specified as "Financial Centres" hereon and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of payment in euro) which is a TARGET Business Day.

7 Taxation

All payments of principal and interest in respect of the Notes, Receipts and Coupons will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax (the "Taxes"), unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts ("Additional Amounts") as will result in the receipt by the holders of such amounts as would have been received by them had no such deduction or withholding been required, except that no Additional Amounts shall be payable with respect to any Note, Receipt or Coupon presented for payment:

(i) Other connection: by or on behalf of a holder (i) who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (other than a designated financial institution which does not fall under item (ii) below) or a Japanese non-resident being a specially-related person of the Issuer or (ii) who fails to comply with the Japanese tax law requirements in respect of the exemption from such withholding or deduction or (iii) who is otherwise subject to such Taxes by reason of its having some connection with Japan other than the mere holding of such Note, Receipt or Coupon; or

(ii) Presentation more than 30 days after the Relevant Date: more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on such thirtieth day.

However, interest on Notes issued by the Issuer of which the amount of interest is to be calculated by reference to certain indexes (as prescribed in the cabinet order relating to Article 6, Paragraph 4 of the Special Taxation Measures Act (as detailed below)) relating to the Issuer or a specially-related person of the Issuer will be subject to the withholding tax even if paid to a Japanese non-resident that is not a specially-related person of the Issuer.

Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes, Receipts and Coupons by or on behalf of the Issuer, will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "FATCA Withholding"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

For the purpose of the paragraphs above, unless the context otherwise requires, the following defined terms shall have the meaning set out below:

"Japanese non-resident" means a person that is not an individual resident of Japan or a Japanese corporation for Japanese tax purposes;

"designated financial institution" means a Japanese financial institution or a Japanese financial instruments business operator designated by the Cabinet Order pursuant to Article 6, Paragraph 11 of the Special Taxation Measures Act of Japan (Law No. 26 of 1957, as amended) (the "Special Taxation Measures Act"); and

"specially-related person of the Issuer" means a person having a special relationship with the Issuer as prescribed in Article 6, Paragraph 4 of the Special Taxation Measures Act.

If (i) subsequent to making a payment on the Notes, Receipts or Coupons without withholding or deduction of Japanese taxes the Issuer is required to remit to the Japanese tax authority any amount in respect of Japanese taxes that should have been withheld or deducted from such payment (together with any interest and penalties) due to the failure of the beneficial owner to provide accurate interest recipient information or to otherwise properly claim an exemption from Japanese taxes imposed with respect to such payment, and (ii) such beneficial owner would not have been entitled to receive additional amounts with respect to such payment had Japanese taxes been withheld from the payment when it was made, such beneficial owner (but not any subsequent beneficial owner of the Notes, Receipts or Coupons) shall be required to reimburse the Issuer, in Japanese yen, for the amount remitted by the Issuer to the Japanese tax authority.

As used in these Conditions, "Relevant Date" in respect of any Note, Receipt or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 13 that, upon further presentation of the Note (or respective Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "interest" shall be deemed to include all interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any additional amounts which may be payable under this Condition.

8 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect thereof.

9 Events of Default

If any of the following events (an "Event of Default") occurs, the holder of any Note may by written notice given to the Fiscal Agent, effective upon receipt thereof by the Fiscal Agent, declare that such Note is immediately repayable, whereupon the Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which the Issuer hereby expressly waives, anything contained in these Conditions to the contrary notwithstanding, unless prior to the time when the Fiscal Agent receives such notice all Events of Default provided for herein in respect of the Notes shall have been cured:

(i) *Non-Payment*: default is made for a period of more than 14 days in any payment of principal or interest in respect of any of the Notes as and when the same ought to be paid; or

(ii) *Breach of Other Obligations*: default is made by the Issuer in the performance or observance of any other covenant, term or agreement of the Issuer under the Notes and such default is continuing for the period of 90 days after the date on which written notice of such default, requiring the Issuer to remedy the same, shall first have been given to the Issuer by any Noteholder; or

(iii) *Cross-Default*: (A) the Issuer becomes bound as a consequence of default by it in its obligations in respect of the same to repay prematurely any indebtedness for borrowed moneys contracted or incurred by it and such indebtedness exceeds ¥1,000,000,000 or its equivalent in another currency or currencies and such acceleration of maturity shall not have been stayed, rescinded or annulled within 10 days of the date on which written notice of such default is first given to the Fiscal Agent by the holder of any Note or (B) the Issuer defaults in the repayment of such indebtedness (exceeding ¥1,000,000,000 or its equivalent in another currency or currencies) at the later of the maturity thereof or the expiration of any applicable grace period therefor or (C) the Issuer fails to

pay when properly called upon to do so any guarantee of indebtedness for borrowed moneys (exceeding ¥1,000,000,000 or its equivalent in another currency or currencies) given by it and such failure shall continue for a period of seven days; or

(iv) *Winding-up*: the Issuer disposes (otherwise than in the ordinary course of business) of the whole or a substantial part of its assets or a resolution is passed or an order is made by a court of competent jurisdiction that the Issuer be wound up or dissolved (in each case, otherwise than for the purposes of or pursuant to an amalgamation, merger or reconstruction under which the rights of the holders of the Notes are not impaired and the continuing entity effectively assumes the entire obligation of the Issuer under the Notes; or

(v) *Appointment of Receiver*: an encumbrancer takes possession or a trustee or a receiver is appointed of the whole or any material part of the assets or undertaking of the Issuer; or

(vi) *Enforcement Proceedings*: a distress, execution or seizure before judgement is levied or enforced upon or sued out against a part of the property of the Issuer which is material in its effect upon the operations of the Issuer and is not discharged within 60 days thereof; or

(vii) *Insolvency*:

(A) the Issuer stops payment or (otherwise than for the purposes of such an amalgamation, merger or reconstruction as is referred to in paragraph (iv) above) ceases or threatens to cease to carry on business or is unable to pay its debts as and when they fall due; or

(B) proceedings shall have been initiated against the Issuer under any applicable bankruptcy or insolvency law and such proceedings shall not have been discharged or stayed within a period of 30 days; or

(C) the Issuer shall initiate or consent to proceedings relating to themselves or either of them under any applicable bankruptcy or insolvency law (including proceedings seeking, with respect to the Issuer, a decree of commencement of rehabilitation or reorganisation) or the Issuer shall make a conveyance or assignment for the benefit of or enter into any composition with its creditors.

10 Meetings of Noteholders and Modification

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including modification by Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders of the Notes (including these Conditions). An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not, and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest thereon, (ii) to reduce or cancel the nominal amount or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in respect thereof, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to take any steps which as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders (or at any adjournment thereof) at which a special quorum (provided for in the Agency Agreement) is present.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent in nominal amount of the Notes outstanding shall for all purposes be as valid and effective

as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) Modification of Agency Agreement

The Issuer shall only permit, without the consent of the Noteholders, any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

11 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and the Registrar (in the case of Certificates) or such other Paying Agent, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 13, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to "Issue Date" shall be the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly.

13 Notices

Notices to the holders of Registered Notes will be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes will be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) and so long as the Notes are listed on the Luxembourg Stock Exchange, published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Holders of Coupons and Receipts shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition.

14 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgement or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note, Coupon or Receipt which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be

due to the recipient under any Note, Coupon or Receipt, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it will be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgement, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgement or order.

15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

16 Governing Law and Jurisdiction

(a) Governing Law

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with any Notes, Receipts, Coupons or Talons and, accordingly, any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("Proceedings") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause is for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

The Issuer irrevocably appoints the General Manager for the time being of SMBC Bank International plc, currently at 99 Queen Victoria Street, London, EC4V 4EH, as its agent, to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 13. Nothing shall affect the right to serve process in any manner permitted by law.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the applicable Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global notes which are issued in CGN form and Global Certificates which are not to be held under the NSS may be delivered on or prior to the issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg (the "Common Depositary").

If the Global Note is a CGN, upon the initial deposit of a Global Note with the Common Depositary or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is an NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at the time.

Notes that are initially deposited with the Common Depositary may (if indicated by the relevant Final Terms) also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Provided that Notes are either issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable and that the method of their delivery has been agreed in advance by the Issuer, the Issuing and Authentication Agent and the relevant Dealer, Notes represented by a Global Note or by a Certificate that is not a Global Certificate may be delivered outside any clearing system upon their issue.

Relationship of Account holders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or such clearing system (as the case may be) for its share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1. *Temporary Global Notes*

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the relevant Final Terms indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "Summary of the Programme – Selling Restrictions"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if requested by a holder of Bearer Notes, for Definitive Notes.

2. *Permanent Global Notes*

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided below, in part for Definitive Notes:

(i) unless a default notice has been given as referred to in "Events of Default" below, by the Issuer giving notice to the Noteholders and the Fiscal Agent of its intention to effect such exchange, unless principal in respect of any Notes is not paid when due;

(ii) if the relevant Final Terms provide that such Global Note is exchangeable at the request of the holder, by the holder giving notice to the Fiscal Agent of its election for such exchange; and

(iii) otherwise, (1) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an "Alternative Clearing System") and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (2) on or following the giving of a default notice referred to in "Events of Default" below, by the holder giving notice to the Fiscal Agent of its election for such exchange or (3) with respect to Bearer Notes, upon request of a holder.

3. *Permanent Global Certificates*

If the Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2*(b)* may only be made in part:

(i) if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) on or following the giving of a default notice referred to in "Events of Default" below; or

(iii) with the consent of the Issuer;

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

4. *Partial Exchange*

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes (i) on or following the giving of a default notice referred to in "Events of Default" below or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms) relating to Partly-paid Notes.

5. *Delivery of Notes*

Subject to the provisions contained therein and to the extent permitted by the applicable rules of the clearing systems in which such Global Note is held, a Global Note may be exchanged by its presentation and, on exchange in full, surrender to or to the order of the Issuing and Authentication Agent (i) (in the case of a temporary Global Note) for interests in a permanent Global Note or (ii) for Definitive Notes, in each case in an aggregate nominal amount equal to the nominal amount of the temporary Global Note submitted for exchange. In this Base Prospectus, "Definitive Notes" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in Schedule 2 to the Agency Agreement. Definitive Notes in bearer form will only be delivered in integral multiples of the minimum Specified Denomination. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and, in the case of a CGN, returned to the holder, together with the delivery of the relevant Definitive Notes.

6. *Exchange Date*

"Exchange Date" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of exchange following the giving of a default notice 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Authentication Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is a summary of those provisions:

1. *Payments and Record Dates*

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose.

If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

If the Global Note is an NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered pro rata in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under an NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

For the purposes of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 6*(h)* (Non-Business Days).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

2. *Prescription*

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

3. *Meetings*

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes for which such Global Note may be exchanged. (All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4. *Cancellation*

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

5. *Purchase*

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

6. *Issuer's Option*

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented to a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg

(to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

7. *Noteholders' Options*

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is an NGN or where the Global Certificate is held under the NSS, the Issuer shall procure that the nominal amount of the Notes recorded in those records shall be reduced accordingly.

8. *Events of Default / Event of Acceleration*

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 9 by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable.

If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against its Issuer under the terms, as applicable, of the Deed of Covenant executed by SMBC on 31 August 2018 or the Deed of Covenant executed by SMFG on 31 August 2018 (the "Deeds of Covenant"), in each case as amended, supplemented and/or restated from time to time to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be.

However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

9. *Notices*

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders or by delivery of the relevant notice to the holder of the Global Note, rather than by publication as required by the Conditions, except that so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be Luxemburger Wort).

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Base Prospectus, but will be contained in the relevant Final Terms and thereby in the Global Notes. For so long as any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). In the event that any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time

specified, the Issuer may be entitled to forfeit such Notes and shall have no further obligation to their holder in respect of them.

Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

(a) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent in nominal amount of the Notes outstanding (an "Electronic Consent" as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons, Talons and Receipts whether or not they participated in such Electronic Consent; and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective.

USE OF PROCEEDS

The net proceeds of Notes issued by SMFG will be used for:

(i) the provision of debt or loan financing to its subsidiaries; or

(ii) its general funding purposes,

in each case as specified in the relevant Final Terms, or for any other particular use as otherwise stated in the relevant Final Terms.

The net proceeds of Notes issued by SMBC will be used for its general funding purposes or for any other particular use as otherwise stated in the relevant Final Terms.

SUMITOMO MITSUI FINANCIAL GROUP, INC.

SMFG is a joint stock company incorporated on 2 December 2002 with limited liability under the laws of Japan. SMFG is a holding company that directly owns 100 per cent of the issued and outstanding shares of SMBC, which is one of the largest commercial banks in Japan and can trace the origin of its banking business back to the seventeenth century. The Group is one of the three largest banking groups in Japan, with an established presence across all of the consumer and corporate banking sectors. Its subsidiaries also include Sumitomo Mitsui Finance and Leasing Company, Limited, in the leasing business, SMBC Nikko Securities Inc. in the securities business, and Sumitomo Mitsui Card Company, Limited, SMBC Finance Service Co., Ltd. (formerly known as Cedyna Financial Corporation) and SMBC Consumer Finance Co., Ltd. in the consumer finance business, as well as The Japan Research Institute, Limited and Sumitomo Mitsui DS Asset Management Company, Limited.

For further information, see "Item 4. Information on the Company" in SMFG's most recent annual report on Form 20-F incorporated by reference in this Base Prospectus.

For details of SMFG's directors, including their names and the principal activities performed by them, see "Item 6. Directors, Senior Management and Employees" in SMFG's most recent annual report on Form 20-F incorporated by reference in this Base Prospectus.

Selected Financial and Other Information (IFRS)

The following tables set forth the consolidated financial information of SMFG as of and for each of the years ended 31 March 2020 and 2021, which is derived from SMFG's audited consolidated financial statements as of and for the same periods, prepared in accordance with IFRS:

	Fiscal year ended 31 March	
	2020	**2021**
	(Billions of yen, except per share data)	
Consolidated income statement data:		
Interest income	¥2,407	¥1,780
Interest expense	1,091	397
Net interest income	1,316	1,383
Fee and commission income	1,147	1,174
Fee and commission expense	204	202
Net fee and commission income	943	973
Net trading income	134	238
Net income (loss) from financial assets at fair value through profit or loss	(22)	280
Net investment income	176	154
Other income	156	138
Total operating income	2,704	3,166
Impairment charges (reversals) on financial assets	260	282
Net operating income	2,444	2,883

	Fiscal year ended 31 March	
	2020	2021
	(Billions of yen, except per share data)	
General and administrative expenses	1,696	1,679
Other expenses	489	284
Operating expenses	2,185	1,963
Share of post-tax profit of associates and joint ventures	24	36
Profit before tax	283	956
Income tax expense	52	251
Net profit	¥231	¥705
Profit attributable to:		
Shareholders of Sumitomo Mitsui Financial Group, Inc.	¥200	¥687
Non-controlling interests	19	4
Other equity instruments holders	12	13
Earnings per share:		
Basic	¥145.48	¥501.73
Diluted	145.39	501.49
Weighted average number of common shares in issue (in thousands of shares)	1,375,118	1,370,214
Dividends per share in respect of each fiscal year:		
Common stock	¥185	¥195

	As of 31 March	
	2020	2021
	(Billions of yen)	
Consolidated statement of financial position data:		
Total assets	¥212,158	¥235,025
Loans and advances	94,672	97,715
Total liabilities	201,224	222,749
Deposits	138,431	155,494
Borrowings	17,121	19,423
Debt securities in issue	10,985	11,229
Total equity	10,935	12,276
Capital stock	2,340	2,341

Selected Financial and Other Information (Japanese GAAP)

The following tables set forth the consolidated financial information of SMFG as of and for each of the years ended 31 March 2020 and 2021, which is derived from SMFG's audited consolidated financial statements as of and for the same periods, prepared in accordance with Japanese GAAP:

	Fiscal year ended 31 March	
	2020	2021
	(Billions of yen)	
Consolidated income statement information:		
Consolidated gross profit	¥2,769	¥2,806
Net interest income	1,307	1,335
Trust fees	5	5
Net fees and commissions	1,083	1,904
Net trading income	263	200
Net other operating income	111	172
General and administrative expenses	(1,740)	(1,747)
Equity in gains (losses) of affiliates	56	25
Consolidated net business profit	1,085	1,084
Total credit cost	(171)	(361)
Gains (losses) on stocks	81	93
Other income (expenses)	(63)	(105)
Ordinary profit	932	711
Extraordinary gains (losses)	(43)	(39)
Income before income taxes	889	672
Income taxes	(168)	(156)
Profit	721	516
Profit attributable to non-controlling interests	(17)	(3)
Profit attributable to owners of parent	¥704	¥513

	As of 31 March	
	2020	2021
	(Billions of yen, except ratios)	
Consolidated balance sheet information:		
Total assets	¥219,864	¥242,584
Loans and bills discounted	82,518	85,133
Reserve for possible loan losses[(1)]	(479)	(659)

	As of 31 March	
	2020	2021
	(Billions of yen, except ratios)	
Securities	27,129	36,549
Deposits (including negotiable certificates of deposit)	137,223	154,597
Net assets	¥10,785	¥11,899
NPL ratio[(2)]	0.68%	0.98%
Loan-to-deposit ratio	60.1%	55.1%

Notes:

(1) "Reserve for possible loan losses" includes a general reserve, a specific reserve and a reserve for specific overseas countries. "Loan Losses" includes losses derived not only from loans but also from other claims to borrowers, including commitments to extend credit, guarantees and standby letters of credit.

(2) Non-performing loan ratio, or NPL ratio, equals the aggregate amount of outstanding loans and credit-type assets classified as NPLs under the Financial Reconstruction Act divided by the aggregate amount of all loans and credit-type assets subject to disclosure under the Financial Reconstruction Act.

Capital Ratios

Set forth below is a table of the risk-weighted capital ratios of SMFG as of 31 March 2020 and 2021 on a consolidated basis, based on the Basel III rules.

	As of 31 March	
	2020	2021
	(Billions of yen, except percentages)	
Consolidated:		
Total risk-weighted capital ratio	18.75%	18.61%
Tier 1 risk-weighted capital ratio	16.63%	16.96%
Common Equity Tier 1 risk-weighted capital ratio	15.55%	16.00%
Total capital (Common Equity Tier 1 capital + Additional Tier 1 capital + Tier 2 capital)	¥11,552.0	¥12,289.3
Tier 1 capital (Common Equity Tier 1 capital + Additional Tier 1 capital)	10,249.9	11,199.3
Common Equity Tier 1 capital	9,581.3	10,562.8
Risk-weighted assets	61,599.1	66,008.0
The amount of minimum capital requirements	4,927.9	5,280.6

Capitalisation and Indebtedness

The following table sets forth the consolidated capitalisation and indebtedness of SMFG as of 31 March 2021, based on numbers extracted from SMFG's audited consolidated financial statements prepared in accordance with IFRS, as of the same date:

	As of 31 March 2021
	(Millions of yen)
Indebtedness[1]	
Borrowings:	
Unsubordinated borrowings	¥17,565,291
Subordinated borrowings	249,833
Liabilities associated with securitisation transactions	1,227,590
Lease obligations	380,641
Total borrowings	19,423,355
Debt securities in issue	
Commercial paper	2,325,290
Bonds[2]	7,625,948
Subordinated bonds[2]	1,277,362
Total debt securities in issue	11,228,600
Total indebtedness[3]	30,651,955
Equity:	
Capital stock	2,341,274
Common stock: Authorised – 3,000,000,000 shares Issued – 1,374,040,061 shares[4]	
Preferred stock: Authorised – 564,000 shares Issued – none	
Capital surplus	722,595
Retained earnings	6,078,208
Treasury stock	(13,699)
Equity excluding other reserves	9,128,378
Other reserves	2,430,857
Equity attributable to shareholders of SMFG	11,559,235
Non-controlling interests	68,379
Equity attributable to other equity instruments holders	684,536
Total equity	12,276,150
Total capitalisation and indebtedness[5]	¥42,928,105

Notes:

(1) Figures for indebtedness do not include contingent liabilities.

(2) Since 1 April 2021, SMFG and its consolidated subsidiaries have issued new series of bonds, and have redeemed or repurchased certain outstanding series of bonds. Issuances, redemptions and repurchases of debt securities from 1 April 2021 to the date hereof are not reflected in the table above. The following is a partial list of the new issuances and redemptions:

- issuance of $500 million Callable Zero Coupon Notes by SMFG on 27 April 2021; and
- redemption of $2,250 million in aggregate principal amount of senior notes which were issued by SMFG on 14 July 2016.

(3) 48.4 per cent of SMFG's indebtedness was secured as of 31 March 2021.

(4) This includes 3,612,302 shares held in treasury by SMFG or by its subsidiaries. All issued and outstanding shares of common stock are fully paid.

(5) Except as disclosed above, there has been no material change in the consolidated capitalisation and indebtedness or contingent liabilities or guarantees of SMFG since 31 March 2021.

SUMITOMO MITSUI BANKING CORPORATION

SMBC is a joint stock company incorporated with limited liability under the laws of Japan. SMBC is the main banking subsidiary of SMFG and is one of the world's largest commercial banks, with ¥228 trillion in consolidated total assets as of 31 March 2021 and provides an extensive range of corporate and consumer banking services in Japan and wholesale banking services overseas. In Japan, it has solid franchises in both corporate and consumer banking. SMBC has long-standing and close business relationships with many companies listed on the First Section of the Tokyo Stock Exchange and long historical relationships with Sumitomo Group and Mitsui Group companies.

SMBC was formed in March 2003 through the merger of the former Sumitomo Mitsui Banking Corporation with Wakashio Bank, which was established in 1996 as a subsidiary of Sakura Bank. The former Sumitomo Mitsui Banking Corporation was formed in April 2001 through the merger of Sumitomo Bank and Sakura Bank, which was established through the merger of Taiyo Kobe Bank and Mitsui Bank in 1990. Mitsui and Sumitomo started their banking businesses in 1876 and 1895, respectively. The origins of both banking businesses can be traced back to the seventeenth century.

Selected Financial and Other Information (Japanese GAAP)

The table below sets forth SMBC's selected consolidated financial data as of and for the fiscal years ended 31 March 2020 and 2021, derived from its audited consolidated financial statements prepared in accordance with Japanese GAAP.

	Fiscal year ended and as of 31 March	
	2020	**2021**
	(Billions of yen)	
Selected consolidated income analysis information:		
Net business profit	¥1,817	¥1,858
Net interest income	1,052	1,091
Trust fees	5	5
Net fees and commissions	434	456
Net trading income	158	71
Net other operating income	168	235
General and administrative expenses	(1,058)	(1,068)
Equity in gains (losses) of affiliates	25	8
Total credit cost	(66)	(285)
Net gains (losses) on stocks	76	74
Others	(23)	(53)
Ordinary profit	770	535
Net extraordinary gains (losses)	(60)	(4)
Income before income taxes	710	530
Income taxes	(183)	(116)
Profit	528	415
Profit attributable to non-controlling interests	(10)	(9)
Profit attributable to owners of parent	¥518	¥406
Selected consolidated balance sheet information:		
Total assets	¥206,090	¥228,067
Loans and bills discounted	84,281	86,595

	Fiscal year ended and as of 31 March	
	2020	2021
	(Billions of yen)	
Reserve for possible loan losses[1]	(335)	(526)
Securities	26,283	35,494
Deposits (including negotiable certificates of deposit)	137,954	155,247
Net assets	¥8,368	¥9,256

Note:

(1) Reserve for possible loan losses includes a general reserve, a specific reserve and a reserve for specific overseas countries.

Supplemental Non-consolidated Information (Japanese GAAP)

The tables below set forth certain of SMBC's non-consolidated financial information prepared in accordance with Japanese GAAP.

	Fiscal year ended 31 March	
	2020	2021
	(Billions of yen, except percentages)	
Selected income analysis information:		
Gross banking profit[1]	¥1,412	¥1,482
Net interest income	878	936
Trust fees	2	2
Net fees and commissions	323	331
Net trading income (losses)	112	17
Net other operating income (expenses)	97	196
Net gains (losses) on bonds	74	80
Expenses[2]	(808)	(816)
Personnel expenses	(320)	(327)
Non-personnel expenses	(438)	(440)
Taxes	(50)	(50)
Banking profit (before provision for general reserve for possible loan losses)[3]	604	665
Total credit cost[4]	(50)	243
Net gains (losses) on stocks	52	64
Other non-recurring gains (losses)	(122)	(50)
Ordinary profit	484	436
Net income	¥317	¥338
Selected other financial information:		
Interest rate earned on loans and bills discounted	0.91%	0.84%
Interest rate paid on deposits, etc.	0.00%	0.00%
Interest spread	0.91%	0.84%
Overhead ratio[5]	57.2%	55.1%

Notes:

(1) Gross banking profit (*gyoumu ararieki*) is the sum of net interest income, trust fees, net fees and commissions, net trading income (losses) and net other operating income (expenses). The Banking Act requires Japanese banks to disclose gross banking profit on a non-consolidated basis.

(2) Expenses do not include non-recurring losses (credit costs and losses on stocks, etc.)

(3) Banking profit (before provision for general reserve for possible loan losses) (*gyoumu jun-eki*), a commonly used indicator of the profitability of banking operations among Japanese banks, is calculated as follows: net interest income + trust fees + net fees and commissions + net trading income (losses) + net other operating income (expenses) – expenses on a non-consolidated basis.

(4) Total credit cost = Provision for reserve for possible loan losses + Write-off of loans + Losses on sales of delinquent loans – Gains on reversal of reserve for possible loan losses – Recoveries of written-off claims.

(5) Overhead ratio is SMBC's expenses divided by gross banking profit.

	As of 31 March	
	2020	**2021**
	(Billions of yen, except percentages)	
Selected balance sheet information:		
Loans and bills discounted	¥80,187	¥81,938
Loans to small- and medium-sized enterprises, etc.[1]	33,095	33,528
Consumer loans	12,427	12,003
Housing loans	11,584	11,239
Deposits (including negotiable certificates of deposit)	130,554	147,389
Selected credit quality information:		
NPLs[2]	¥429	¥628
NPL ratio[3]	0.46%	0.65%
Reserve ratio to unsecured assets[4]	66.81%	57.91%

Notes:

(1) Loans to small- and medium-sized enterprises, etc., represent a portion of all loans and bills discounted and include some consumer loans. Includes loans to individuals. Housing loans are a subset of consumer loans.

(2) NPLs include loans, acceptances and guarantees, suspense payments and other credit-type assets based on the Act on Emergency Measures for the Revitalisation of the Financial Functions of Japan (the "Financial Reconstruction Act").

(3) NPL ratio equals the aggregate amount of outstanding loans and credit-type assets classified as NPLs under the Financial Reconstruction Act divided by the aggregate amount of all loans and credit-type assets, subject to disclosure under the Financial Reconstruction Act.

(4) Reserve ratio to unsecured assets equals the sum of the specific reserve and the general reserve for substandard loans divided by the aggregate amount of unsecured loans classified as NPLs under the Financial Reconstruction Act.

Capital Ratios

Set forth below is a table of the risk-weighted capital ratios of SMBC as of 31 March 2020 and 2021 on a consolidated basis, based on the Basel III rules.

	As of 31 March	
	2020	**2021**
	(Billions of yen, except percentages)	
Consolidated:		
Total risk-weighted capital ratio	18.06%	17.72%
Tier 1 risk-weighted capital ratio	15.80%	15.89%
Common Equity Tier 1 risk-weighted capital ratio	13.70%	13.98%
Total capital (Common Equity Tier 1 capital + Additional Tier 1 capital + Tier 2 capital)	¥10,107.2	¥10,612.4
Tier 1 capital (Common Equity Tier 1 capital + Additional Tier 1 capital)	8,842.3	9,518.0
Common Equity Tier 1 capital	7,669.2	8,374.7
Risk-weighted assets	55,953.8	59,871.2
The amount of minimum capital requirements	4,476.3	4,789.7

Capitalisation and indebtedness

The following table sets forth the consolidated capitalisation and indebtedness of SMBC as of 31 March 2021, based on numbers extracted from SMBC's audited consolidated financial statements as of the same date prepared in accordance with Japanese GAAP:

	As of 31 March 2021
	(Millions of yen)
Indebtedness:[1]	
Senior borrowings	¥16,658,240
Senior bonds	789,447
Subordinated borrowings	8,403,181
Subordinated bonds	326,049
Total indebtedness	26,176,918
Net assets:	
Capital stock	1,770,996
Preferred stock:	
Authorised—634,001 shares	
Issued—70,001 fully paid shares	
Common stock:	
Authorised—240,000,000 shares	
Issued and outstanding—106,248,400 fully paid shares	
Capital surplus	1,966,300
Retained earnings	3,676,110
Treasury stock	(210,003)
Net unrealised gains (losses) on other securities	1,748,263
Net deferred gains (losses) on hedges	28,751
Land revaluation excess	36,251
Foreign currency translation adjustments	12,494
Accumulated remeasurements of defined benefit plans	125,380
Non-controlling interests	101,823
Total net assets	9,256,369
Total capitalisation and indebtedness[2]	¥35,433,288

Notes:

(1) Figures for indebtedness do not include contingent liabilities or guarantees.

(2) Except as disclosed above, there has been no material change in the consolidated capitalisation and indebtedness since 31 March 2021.

Management

As of the date of this Base Prospectus, the names and titles of SMBC's directors and certain other senior management members are as follows:

Name	Title
Koichi Miyata	Chairman of the Board
Makoto Takashima(1)(2)	President and CEO
Manabu Narita(1)(3)	Deputy Chairman
Gotaro Michihiro(1)(3)	Deputy Chairman
Masahiko Oshima(1)(2)	Director, Deputy President
Toshikazu Yaku(1)(2)	Director, Deputy President
Keiji Kakumoto	Director, Deputy President
Toru Nakashima(1)	Director, Senior Managing Executive Officer
Tetsuro Imaeda(1)	Director, Senior Managing Executive Officer
Shoji Masuda(1)	Director, Senior Managing Executive Officer
Teiko Kudo(1)	Director, Senior Managing Executive Officer
Paul Yonamine(4)	Director
Isao Teshirogi(4)	Director
Toshiaki Nakai	Director, Member of the Audit and Supervisory Committee
Shuji Yabe	Director, Member of the Audit and Supervisory Committee
Hiroshi Takahashi(4)	Director, Member of the Audit and Supervisory Committee
Sonosuke Kadonaga(4)	Director, Member of the Audit and Supervisory Committee
Masaaki Oka(4)	Director, Member of the Audit and Supervisory Committee
Michiko Kuboyama(4)	Director, Member of the Audit and Supervisory Committee
Atsuhiko Inoue(1)	Director, Member of the Audit and Supervisory Committee

Notes:

(1) Holds positions both with SMBC and SMFG.

(2) Representative Director.

(3) Does not serve as a director as defined under the Companies Act.

(4) Outside director as defined under the Companies Act.

SMBC has elected a substitute director who is an Audit and Supervisory Committee member, Daiken Tsunoda, as a substitute for any of directors who are Audit and Supervisory Committee members in case the number of directors who are Audit and Supervisory Committee members falls short of the number required by applicable laws and regulations.

SMBC's board of directors has ultimate responsibility for the administration of SMBC's affairs and SMBC's board of directors and its Audit and Supervisory Committee provide effective oversight of operations. In order to distinguish between operational management and oversight functions, SMBC has a Management Committee that is the highest decision-making body responsible for operational matters and is under the direct supervision of the board of directors and the Audit and Supervisory Committee. The President chairs the Management Committee and appoints executive officers to it, and has the authority to make the final decision after considering the Management Committee's recommendations. The President designates members of the Management Committee to oversee the operations of certain head office departments and business units. The Chairman of the board of directors is prohibited from assuming direct responsibility for operational duties and his primary duty is to oversee and control the performance of operations.

In addition, SMBC operates an Internal Audit Unit that has responsibility for conducting internal audits on an objective basis in a process that is separate from the oversight provided by the board of directors and the Audit and Supervisory Committee. The Internal Audit Unit also acts independently from the business units.

The directors who are members of the Audit and Supervisory Committee are not required to be certified public accountants. They may not serve concurrently as executive directors, managers or any other type of employee for SMBC or for any of its subsidiaries, or as accounting advisors or corporate executive officers for any of the SMBC's subsidiaries. In addition, more than half of the directors who are members of the Audit and Supervisory Committee at any one time must be outside directors as defined under the Companies Act.

The Audit and Supervisory Committee members (who are not required to be and are not certified public accountants) have the statutory duty to examine the financial statements and business reports submitted by the board of directors to the shareholders. They also have the duty to supervise the administration by the directors of SMBC's affairs in accordance with the auditing policy and rules for the Audit and Supervisory Committee prescribed by the Audit and Supervisory Committee to prepare an audit report each year and to determine details of proposals concerning the appointment and dismissal of independent auditors and the refusal to reappoint independent auditors for submission to general meetings of shareholders. All directors who are Audit and Supervisory Committee members are elected, separately from other directors, by SMBC's shareholders at general shareholders' meetings. The normal term of office for directors who are not Audit and Supervisory Committee members is one year, and the normal term of office for directors who are Audit and Supervisory Committee members is two years, but any directors may serve any number of consecutive terms.

SMBC is required to appoint independent certified public accountants, whose appointment is approved at a general shareholders' meeting. The independent certified public accountants have the statutory duty to examine the financial statements prepared in accordance with the Companies Act and approved by the board of directors, and report their opinion thereon to the Audit and Supervisory Committee and to the designated directors for notification to the shareholders. Examination by independent registered public accountants of SMBC's financial statements is also required for the purpose of the securities report filed through the Kanto Local Finance Bureau to the Prime Minister for public inspection in accordance with the FIEA. SMBC's independent certified public accountants for these purposes are KPMG AZSA LLC.

TAXATION

The following is a general overview based on current law and tax authority practice in the relevant jurisdiction and it should be treated with appropriate caution. Noteholders should consult their professional advisers.

Investors should note that tax treatments differ from jurisdiction by jurisdiction. Subject to Condition 7 (Taxation) of the relevant Terms and Conditions, investors will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including (without limitation) any state or local taxes or other similar assessment or charge that may be applicable to any payment in respect of the Notes.

United Kingdom

The comments below are of a general nature based on current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs) and are not intended to be exhaustive. They assume that none of the Issuers are UK resident or acting through a permanent establishment. Any Noteholders who are in doubt as to their own tax position should consult their professional advisers.

On the basis that payments of interest on the Notes are expected to have a United Kingdom source, there should be no withholding or deduction for or on account of United Kingdom income tax.

Japan

The following description of Japanese taxation (limited to national taxes) applies exclusively to interest and the redemption gain, meaning any difference between the acquisition cost of the Notes bearing interest at the Noteholder and the amount which the Noteholder receives upon redemption of such interest-bearing Notes issued by SMFG or SMBC outside Japan and payable outside Japan. It is not intended to be exhaustive and Noteholders and/or Couponholders are recommended to consult their tax advisers as to their exact tax position.

Interest payments on the Notes to (a) an individual resident of Japan or a Japanese corporation (except for (1) a Japanese financial institution or a Japanese financial instruments business operator designated by the Special Taxation Measures Act Enforcement Order (Cabinet Order No.43 of 1957, as amended, the "Cabinet Order") pursuant to Article 6, Paragraph 11 of the Special Taxation Measures Act of Japan (Law No. 26 of 1957, as amended) ("Special Taxation Measures Act") which has complied with the requirements under Article 6 of the Special Taxation Measures Act and (2) a Japanese corporation, a Japanese financial institution or a Japanese financial instruments business operator, etc. designated by Article 3-3, Paragraph 6 of the Special Taxation Measures Act which has complied with the Japanese tax exemption requirements under the said paragraph 6, receiving the interest payment through its payment handling agent in Japan as provided in the Article 3-3, Paragraph 1 of the Special Taxation Measures Act) or (b) an individual non-resident of Japan or a non-Japanese corporation that is in either case a person having a special relationship with the Issuer, as described in Article 6, Paragraph 4 of the Special Taxation Measures Act (a "specially-related person") will be subject to withholding of Japanese income tax at a rate of 15 per cent under the Income Tax Law of Japan (Law No. 33 of 1965, as amended) (the "Income Tax Law") plus 0.315 per cent of Special Reconstruction Income Tax that will be imposed until 31 December 2037, on the amount of such interest.

It should be noted that if the recipient of interest on the Notes is a Japanese corporation, the amount of such interest will be included in the recipient's income which is subject to Japanese corporate tax under the Corporate Tax Law of Japan (Law No. 34 of 1965, as amended); provided that the amount of Japanese income

tax withheld under the Income Tax Law of Japan will be generally credited against the amount of Japanese corporate tax.

Under the Special Taxation Measures Act, payment of interest on the Notes outside Japan to a non-resident of Japan or a non-Japanese corporation (not being specially-related persons of the Issuer) for Japanese tax purposes will not be subject to withholding of Japanese income tax, if such recipient of interest establishes that it is a non-resident of Japan or a non-Japanese corporation (not being specially-related persons of the Issuer) in compliance with the requirements under the Special Taxation Measures Act as summarised below:

(1) If the Notes or Coupons are deposited with an agent which handles the interest payments on the Notes as defined in the Cabinet Order (the "payment handling agent") in accordance with the Cabinet Order, (A) the recipient of the interest provides such payment handling agent which holds the Notes or Coupons in its custody (the "payment handling custodian") with information including, *inter alia*, its name and address and obtains confirmation from the payment handling custodian of the correctness of such information by presenting certain documentary or other evidence to such payment handling custodian; (B) such payment handling custodian notifies "Interest Recipient Information" (providing, *inter alia*, (i) that all recipients are non-residents of Japan or non-Japanese corporations (not being specially-related persons of the Issuer) (if applicable); (ii) the amount of the interest payable to the recipients which are non-residents of Japan or non-Japanese corporations (not being specially-related persons of the Issuer)) which is prepared by such payment handling custodian based on the information provided by the recipient, to the Issuer or (if the Notes or Coupons are further sub-deposited with another payment handling agent including a clearing organisation (the "sub-depositary") by such payment handling custodian) through such sub-depositary to the Issuer, at the latest one day prior to the date on which such payment handling custodian receives from the Issuer the amount of the interest for the payment to the recipients; and (C) the Issuer prepares "Interest Recipient Confirmation" based upon Interest Recipient Information and submits it to the competent Japanese tax authority (the "tax authority"); or

(2) If the Notes or Coupons are held otherwise than through a payment handling custodian, upon each payment of the interest on the Notes, the Noteholder files a "Claim for Exemption from Taxation" (providing, *inter alia*, the name and address of the recipient of the interest) with the tax authority through the Issuer or (if payment of interest is made through the payment handling agent) through the payment handling agent and the Issuer.

If the recipient of interest on the Notes is a non-resident of Japan or a non-Japanese corporation (not being specially-related persons of the Issuer), failure by such non-resident or non-Japanese corporation to comply with the above requirements will result in the withholding of Japanese income tax.

The above exemption from the withholding of Japanese income tax on the interest payments of the Notes is also applied to a Japanese financial institution or a Japanese financial instruments business operator designated by the Cabinet Order pursuant to Article 6, Paragraph 11 of the Special Taxation Measures Act which receives the interest on the Notes outside of Japan (i.e., receives the interest otherwise than through the payment handling agent in Japan), if certain procedural requirements are met.

However, in all cases mentioned above, interest on Notes issued by the Issuer of which the amount of interest is to be calculated by reference to certain indexes (as prescribed in the Cabinet Order relating to Article 6, Paragraph 4 of the Special Taxation Measures Act) relating to the Issuer, or a specially-related person of the Issuer will be subject to the 15 per cent (from and including 1 January 2013 to and including 31 December 2037, a rate of 15.315 per cent) withholding tax even if paid to an individual non-resident of Japan or a non-Japanese corporation that is not a specially-related person of the Issuer.

If the recipient of interest on the Notes is a non-resident of Japan or a non-Japanese corporation (not being specially-related persons of the Issuer) which complies with the above requirements and if such non-

resident or non-Japanese corporation has a permanent establishment within Japan and the receipt of interest is attributable to the business of such non-resident or non-Japanese corporation (not being specially-related persons of the Issuer) carried on within Japan through such permanent establishment, such interest will be subject to Japanese income tax or corporate tax, as appropriate, payable other than by way of withholding.

If the recipient of the redemption gain is a non-resident of Japan or a non-Japanese corporation (not being specially-related persons of the Issuer) having no permanent establishment within Japan or having a permanent establishment within Japan but the receipt of such redemption gain is not attributable to the business carried on within Japan by such non-resident or non-Japanese corporation (not being specially-related persons of the Issuer) through such permanent establishment, no income tax or corporate tax is payable with respect to such redemption gain. If the receipt of such redemption gain is attributable to the business of any such non-resident or non-Japanese corporation (not being specially-related persons of the Issuer) carried on within Japan through a permanent establishment maintained by it within Japan, such redemption gain will be subject to Japanese income tax or corporate tax, as appropriate, payable other than by way of withholding.

If (i) subsequent to making a payment on the Notes, Receipts or Coupons without withholding or deduction of Japanese taxes the Issuer is required to remit to the Japanese tax authority any amount in respect of Japanese taxes that should have been withheld or deducted from such payment (together with any interest and penalties) due to the failure of the beneficial owner to provide accurate interest recipient information or to otherwise properly claim an exemption from Japanese taxes imposed with respect to such payment, and (ii) such beneficial owner would not have been entitled to receive additional amounts with respect to such payment had Japanese taxes been withheld from the payment when it was made, such beneficial owner (but not any subsequent beneficial owner of the Notes, Receipts or Coupons) shall be required to reimburse the Issuer, in Japanese yen, for the amount remitted by the Issuer to the Japanese tax authority.

Each purchaser of Notes in the initial distribution of such Notes is deemed to represent that it is, for Japanese tax purposes, a Gross Recipient (as defined in "Plan of Distribution").

FATCA Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. Each of the Issuers is a foreign financial institution for these purposes. A number of jurisdictions (including Japan) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, proposed regulations have been issued that provide that such withholding would not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until issuance of final regulations. Additionally, Notes issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in an amended and restated dealer agreement (as amended, supplemented and/or restated as at the Issue Date, the "Dealer Agreement") dated 31 August 2021 between the Issuers and the Dealers, the Notes will be offered on a continuous basis by the Issuers to the Dealers, which expression shall include any person appointed as a Dealer for a specific issue. Such Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuers through the Dealers, acting as agents of the relevant Issuer. The Dealer Agreement also provides for Notes to be issued in Tranches which are jointly and severally underwritten by two or more Dealers.

The relevant Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The Issuers have also agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes.

Any agreement between the relevant Issuer and relevant Dealer(s) for the issue and subscription of Notes under the Dealer Agreement will be subject to certain conditions, and in certain circumstances the relevant Dealer(s) will be entitled to be released and discharged from its obligations to subscribe and pay for the Notes prior to payment for such Notes being made to the Issuer.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form (other than Notes having a maturity of one year or less) are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "Code"), and regulations thereunder.

Where the D Rules are specified in the relevant Final Terms as being applicable in relation to any Tranche of Notes, each Dealer will be required to represent, undertake and agree that:

(i) except to the extent permitted under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of section 4701 of the Code) (the "D Rules") that it has not offered or sold and during the restricted period it will not offer or sell, Bearer Notes to a person who is within the United States or its possessions or to a United States person and it has not delivered and that it will not deliver within the United States or its possessions definitive Bearer Notes that are sold during the restricted period;

(ii) it has, and throughout the restricted period, it will have in effect, procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(iii) if it is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issuance and if it retains Bearer Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for purposes of section 4701 of the Code); and

(iv) with respect to each affiliate that acquires Notes from it for the purpose of offering or selling such Notes during the restricted period, it either: (a) repeats and confirms the representations and agreements contained in sub-paragraphs (i), (ii) and (iii) of this paragraph on such affiliate's behalf; or (b) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (i), (ii) and (iii) of this paragraph.

Bearer Notes issued in accordance with the D Rules with a maturity of more than one year, and any Coupons, Talons and Receipts with respect to such Bearer Notes will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Section 165(j) and 1287(a) of the Internal Revenue Code of the United States".

Where the "C Rules" are specified in the relevant Final Terms as being applicable in relation to any Tranche of Notes, the Notes must, in accordance with their original issuance, be issued and delivered outside the United States and its possessions and, accordingly, each Dealer represents, warrants and undertakes to the Issuer that, in connection with the original issuance of the Notes:

(i) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any Notes within the United States or its possessions; and

(ii) it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if it or such prospective purchaser is within the United States or its possessions and will not otherwise involve its United States office in the offer and sale of Notes.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of such Tranche, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA . For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to UK Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR; or

(iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation, and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Each Dealer has further representative and agreed that:

(x) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business, and (ii) it has not offered or sold and will not offer or sell any such Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses, where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the relevant Issuer;

(y) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the relevant Issuer; and

(z) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (the "Financial Instruments and Exchange Act"). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to any person resident in Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws and regulations of Japan.

In addition, the Notes will be subject to requirements under the Special Taxation Measures Act of Japan (Law No. 26 of 1957, as amended) (the "Special Taxation Measures Act"). Accordingly, each of the Dealers has represented and agreed that it (i) has not, directly or indirectly, offered or sold any Notes to, or for the benefit of, any person other than a Gross Recipient (as hereinafter defined), and (ii) will not, directly or indirectly, offer or sell any Notes, as part of such Dealer's distribution at any time, to, or for the benefit of, any person other than a Gross Recipient. A "Gross Recipient" means (a) a beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a party having a special relationship with the Issuer as described in Article 6, Paragraph 4 of the Special Taxation Measures Act (except for an individual non-resident of Japan or a non-Japanese corporation who has an underwriting agreement with the Issuer in relation to the Notes and subscribes the Notes from other underwriter(s) which Notes have remained unsubscribed at such other underwriter who is also subject to the underwriting agreement), (b) a Japanese financial institution, designated in Article 3-2-2, Paragraph 29 of the Cabinet Order relating to the Special Taxation Measures Act (Cabinet Order No. 43 of 1957, as amended) (the "Cabinet Order") that will hold Notes for its own proprietary account (a "Designated Financial Institution"), or (c) any other excluded category of persons, corporations or other entities under the Special Taxation Measures Act.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interests (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, each Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that Notes issued by it are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

General

These selling restrictions may be modified by the agreement of the relevant Issuer and the Dealers following a change in or clarification of a relevant law, regulation, directive or practice. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

Save as expressly stated on the front page hereof, no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will comply with all relevant securities laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms and none of the Issuers nor any other Dealer shall have any responsibility therefor.

FORM OF FINAL TERMS

Final Terms dated [●]

[SUMITOMO MITSUI FINANCIAL GROUP, INC.
SUMITOMO MITSUI BANKING CORPORATION][1]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the
SUMITOMO MITSUI FINANCIAL GROUP, INC.
SUMITOMO MITSUI BANKING CORPORATION
¥3,000,000,000,000
Euro Medium Term Note Programme

This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [as supplemented by the supplemental Base Prospectus dated [●]]. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus [as so supplemented].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Base Prospectus dated [original date]. These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus dated [●], [and the supplemental Base Prospectus dated [●]] save in respect of the Conditions which are extracted from the Base Prospectus dated [●], and are attached hereto.]

PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that

[1] Delete as appropriate

customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a "distributor")/distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**Singapore SFA Product Classification** – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[*Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.*]

1	Issuer:	[●]
2	(i) Series Number:	[●]
	(ii) [Tranche Number:	[●]]
		[*If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.*]
3	Status of the Notes:	[Senior] [Subordinated]

4	Specified Currency or Currencies:	[●]
5	Aggregate Nominal Amount:	
	(i) Series:	[●]
	(ii) [Tranche:	[●]]
6	(i) Issue Price:	[●] per cent of the Aggregate Nominal Amount [plus accrued interest from [insert date] (*in the case of fungible issues only, if applicable*)]
	(ii) [Net proceeds:	[●] (*Required only for listed issues*)]
7	(i) Specified Denominations:	[●][2]
	(ii) Calculation Amount:	[●][3]
8	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[*Specify*/Issue Date/Not Applicable]
9	Maturity Date:	[*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
10	Interest Basis:	[[●] per cent Fixed Rate] [[*specify reference rate*] +/- [●] per cent Floating Rate] [Zero Coupon] [Index Linked Interest][4] [Other (specify)] (further particulars specified below)
11	Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption][4] [Dual Currency][4] [Partly Paid][4] [Instalment] [Other (*specify*)]
12	Change of Interest or Redemption/Payment Basis:	[*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*][4]
13	Put/Call Options:	[Put] [Call] [(further particulars specified below)]

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[2] Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

In relation to any issue of Notes which are represented by a Global Note which is exchangeable for Definitive Notes at any time, such Notes may only be issued in denominations equal to, or greater than, EUR100,000 (or equivalent) and integral multiples thereof.

[3] If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.

[4] Please add appropriate provisions to terms and conditions if included.

14	Listing:	[Listing on the Luxembourg Stock Exchange and trading on the Euro MTF Market/Other (*specify*)/None]
15	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	**Fixed Rate Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate [(s)] of Interest:	[●] per cent per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
	(ii) Interest Payment Date(s):	[●] in each year [adjusted in accordance with the Business Day Convention specified below [(not adjusted)]] (*Interest Payment Dates for Fixed Rate Notes are normally not subject to adjustment by any Business Day Convention*)
	(iii) Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Not Applicable]
	(iv) Fixed Coupon Amount [(s)]:	[●] per Calculation Amount
	(v) Broken Amount(s):	[*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the interest Payment Date(s) to which they relate*]
	(vi) Day Count Fraction (Condition 4*(i)*):	[●]
	(vii) Determination Date(s) (Condition 4*(i)*):	[●] in each year *[insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon]*[5]
	(viii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/*give details*]
17	**Floating Rate Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
	(i) Interest Period(s):	[●]
	(ii) Specified Interest Payment Dates:	[●]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(iv) Business Centre(s) (Condition 4*(i)*):	[●]

[5] Only to be completed for an issue where Day Count Fraction is Actual/Actual-ICMA

(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other (*give details*)]
(vi)	Interest Period Date(s):	[Not Applicable/*specify dates*]
(vii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[●]
(viii)	Screen Rate Determination (Condition 4*(b)*(iii)(B)):	
	– Relevant Time:	[●]
	– Interest Determination Date:	[*[●] [TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each interest Accrual Period/each interest Payment Date*]]
	– Primary Source for Floating Rate:	[*Specify relevant screen page or* "Reference Banks"]
	– Reference Banks (if Primary Source is "Reference Banks"):	[*Specify four*]
	– Relevant Financial Centre:	[*The financial centre most closely connected to the Benchmark – specify if not London*]
	– Benchmark:	[*Specify*]
	– Representative Amount:	[*Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount*]
	– Effective Date:	[*Specify if quotations are not to be obtained with effect from commencement of interest Accrual Period*]
	– Specified Duration:	[*Specify period for quotation if not duration of Interest Accrual Period*]
(ix)	ISDA Determination (Condition 4*(b)*(iii)(A)):	
	– Floating Rate Option:	[●]
	– Designated Maturity:	[●]
	– Reset Date:	[●]
	– ISDA Definitions: (if different from those set out in the Conditions)	[●]
(x)	Margin(s):	[+/-] [●] per cent per annum
(xi)	Minimum Rate of Interest:	[[●] per cent per annum/Not Applicable]
(xii)	Maximum Rate of Interest:	[[●] per cent per annum/Not Applicable]
(xiii)	Day Count Fraction (Condition 4*(i)*):	[●]
(xiv)	Rate Multiplier:	[●]

	(xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
18	**Zero Coupon Note Provisions**	[Applicable/Not Applicable] (*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Amortisation Yield (Condition 5*(b)*):	[●] per cent per annum
	(ii) Day Count Fraction (Condition 4*(i)*):	[●]
	(iii) Any other formula/basis of determining amount payable:	[●]
19	**Index Linked Interest Note Provisions**	[Applicable/Not Applicable] (*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Index/Formula:	[*Give or annex details*]
	(ii) Calculation Agent responsible for calculating the interest due:	[●]
	(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
	(iv) Interest Period(s):	[●]
	(v) Specified Interest Payment Dates:	[●]
	(vi) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(vii) Business Centre(s) (Condition 4*(i)*):	[●]
	(viii) Minimum Rate of Interest:	[●] per cent per annum
	(ix) Maximum Rate of Interest:	[●] per cent per annum
	(x) Day Count Fraction (Condition 4*(i)*):	[●]
20	**Dual Currency Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[Give details]
	(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[●]

	(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]
	(iv) Person at whose option Specified Currency(ies) is/are payable:	[●]
	(v) Day Count Fraction (Condition 4*(i)*):	[●]

PROVISIONS RELATING TO REDEMPTION

21	**Call Option**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) If redeemable in part:	
	(a) Minimum nominal amount to be redeemed:	[●]
	(b) Maximum nominal amount to be redeemed:	[●]
	(iv) Option Exercise Date(s):	[●]
	(v) Description of any other Issuer's option:	[●]
	(vi) Notice period:	[●][6]
22	**Put Option**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Option Exercise Date(s):	[●]
	(iv) Description of any other Noteholders' option:	[●]
	(v) Notice period:	[●]
23	**Final Redemption Amount of each Note**	[●] per Calculation Amount
24	**Early Redemption Amount**	
	(i) Early Redemption Amount(s) per Calculation Amount payable on	[●]

[6] The notice period shall be at least five business days if the Notes are to be held in global form in the clearing systems.

	redemption for taxation reasons (Condition 5*(c)*)[, redemption for regulatory reasons (Condition 5(*e*))][7] or an event of default (Condition 9) and/or the method of calculating the same (if required or if different from that set out in the Conditions):	
(ii)	Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 5*(c)*):	[Yes/No]
(iii)	[Redemption for regulatory reasons permitted on days other than Interest Payment Dates (Condition 5*(e)*):	[Yes/No/Not Applicable]][8]
(iv)	Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 6*(f)*):	[Yes/No/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25	Form of Notes:	[**Bearer Notes/Registered Notes]** [*Delete as appropriate*]
(i)	Temporary or permanent Global Note/Certificate:	[Temporary Global Note/Certificate exchangeable for a permanent Global Note/Certificate which is exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate] [Temporary Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice] [Include the following if applicable] [Permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate][9]
(ii)	New Global Note or New Safekeeping Structure:	[Not applicable] [New Global Note] [The Global Certificate will be registered in the name of a nominee for a Common Safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the new safekeeping structure)]

[7] Delete in the case of SMBC Notes.

[8] Delete in the case of SMBC Notes.

[9] In relation to any issue of Notes which are represented by a Global Note which is exchangeable for Definitive Notes at any time, such Notes may only be issued in denominations equal to, or greater than, EUR100,000 (or equivalent) and integral multiples thereof.

	(iii) Applicable TEFRA exemption:	[C Rules/D Rules/Not Applicable]
26	Financial Centre(s) (Condition 6*(h)*) or other special provisions relating to payment:	[Not Applicable/*Give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 16(ii), 17(iv) and 19(vii) relate*]
27	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. *If yes, give details*]
28	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/*give details*]
29	Details relating to Instalment Notes:	[Not Applicable/*give details*]
	(i) Instalment Amount(s):	[●]
	(ii) Instalment Date(s):	[●]
	(iii) Minimum Instalment Amount:	[●]
	(iv) Maximum Instalment Amount:	[●]
30	Other terms or special conditions:	[Not Applicable/*give details*]
DISTRIBUTION		
31	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilising Manager[s] (if any):	[Not Applicable/*give name*]
	(iii) Dealer's Commission:	[●]
32	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
33	Additional selling restrictions:	[Not Applicable/*give details*]
OPERATIONAL INFORMATION		
34	Legal Entity Identifier:	[35380028MYWPB6AUO129/ 5U0XI89JRFVHWIBS4F54]
35	ISIN Code:	[●]
36	Common Code:	[●]
37	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
38	Delivery:	Delivery [against/free of] payment
39	Trade Date:	[●]
40	The Agents appointed in respect of the Notes are:	[●]
41	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as common

safekeeper [(and registered in the name of a nominee of one of Euroclear or Clearstream, Luxembourg acting as common safekeeper)] [*include this text for registered notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of Euroclear or Clearstream, Luxembourg as common safekeeper [(and registered in the name of a nominee of one of Euroclear or Clearstream, Luxembourg acting as common safekeeper)] [*include this text for registered notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

GENERAL

42 [The aggregate nominal amount of Notes issued has been translated into Japanese Yen at the rate of [●], producing a sum of (for Notes not denominated in Japanese Yen):

¥[●]]

43 Ratings:

[As of the date of these Final Terms, the Programme is rated, in respect of [long-term/short-term] [senior/subordinated] notes issued by [SMFG/SMBC]:

Moody's Japan K.K.: [●]

S&P Global Ratings Japan Inc.: [●]

Fitch Ratings Japan Limited: [●]

Japan Credit Rating Agency, Ltd.: [●]]

The Notes to be issued [are expected to be/have not been] rated:

[Moody's Japan K.K.: [●]]

[S&P Global Ratings Japan Inc.: [●]]

[Fitch Ratings Japan Limited: [●]]

[Japan Credit Rating Agency, Ltd.: [●]]

		A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.
44	[Capital Treatment:	It is expected that the Notes will count as [external TLAC of SMFG under applicable Japanese TLAC Standards /Tier 2 capital of SMFG in accordance with the Applicable Banking Regulations].][10]
45	Use of Proceeds:	[General corporate purposes/*give details*]

[LISTING APPLICATION

These Final Terms comprise the final terms required to list the issue of Notes described herein pursuant to the ¥3,000,000,000,000 Euro Medium Term Note Programme of [insert name of issuer].]

[STABILISING

In connection with this issue, [*insert name of Stabilising Manager[(s)]*] (the "Stabilising Manager [(s)]") or any person acting for him may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager[(s)] or any agent of his to do this. Such stabilising, if commenced, may be discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of allotment of the relevant Tranche.]

[MATERIAL ADVERSE CHANGE STATEMENT

[Except as disclosed in the Base Prospectus, there/There] has been no significant change in the financial or trading position of the Issuer or of the Group since [*insert date of last audited accounts or interim accounts (if later*)] and no material adverse change in the financial position or prospects of the Issuer or of the Group since [insert date of last published annual accounts.]]

[10] To be included only if SMFG is the Issuer.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus [and the supplemental Base Prospectus] referred to above, contains all information that is material in the context of the issue of the Notes.

Signed on behalf of the Issuer:

By: _____
Duly authorised

GENERAL INFORMATION

1. Each of the Issuers has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes relating to them.

   The execution of documents relating to the establishment of the Programme by SMBC was authorised by a resolution of the Board of Directors of SMBC on 28 July 1995. The execution of the other documents relating to the update of the Programme by SMBC was authorised by SMBC, which authorisation was certified by a representative director of SMBC on 31 August 2021. The issue of the Notes by SMBC under the Programme until 31 March 2022 was duly authorised by the determination of the representative director of SMBC dated 1 April 2021.

   The accession of SMFG to the Programme was authorised by SMFG, which authorisation was certified by a director of SMFG on 25 August 2016. The execution of the documents relating to the update of the Programme by SMFG was authorised by SMFG, which authorisation was certified by a representative executive officer of SMFG on 31 August 2021. The issue of the Senior Notes by SMFG under the Programme until 31 March 2022 was duly authorised by the determination of the representative executive officer of SMFG dated 19 March 2021 and the issue of Subordinated Notes by SMFG under the Programme until 31 March 2022 was duly authorised by the determination of the representative executive officer of SMFG dated 19 March 2021.

2. Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code" of the United States.

   In addition, the following legend will appear on each Note:

   "Interest payments on this security will be subject to Japanese withholding tax unless the holder establishes that the security is held by or for the account of a holder that is (i) for Japanese tax purposes neither (x) an individual resident of Japan or a Japanese corporation nor (y) an individual non-resident of Japan or a non-Japanese corporation that is a person having a special relationship with the Issuer as described in Article 6, Paragraph 4 of the Special Taxation Measures Act of Japan (a "specially-related person of the Issuer"), (ii) a designated Japanese financial institution or a financial instruments business operator described in Article 6, Paragraph 11 of the Special Taxation Measures Act of Japan which complies with the requirement for tax exemption under that Paragraph, or (iii) a Japanese corporation, a financial institution or a financial instruments business operator, etc. described in Article 3-3, Paragraph 6 of the Special Taxation Measures Act of Japan which receives such interest through a payment handling agent in Japan as provided in Paragraph 1 of the said Article and complies with the requirement for tax exemption under Paragraph 6 of the said Article.

   Interest payments on this security to an individual resident of Japan or a Japanese corporation (other than those described in items (ii) and (iii) of the preceding paragraph) or to an individual non-resident of Japan or a non-Japanese corporation that is a specially-related person of the Issuer will be subject to withholding of Japanese income tax at a rate of 15 per cent (from and including 1 January 2013 to and including 31 December 2037, a rate of 15.315 per cent) of the amount of such interest.

   However, interest on Notes issued by the Issuer of which the amount of interest is to be calculated by reference to certain indexes (as prescribed under the Cabinet Order relating to Article 6, Paragraph 4 of the Special Taxation Measures Act of Japan) relating to the Issuer or a specially-related person of the Issuer will be subject to the 15 per cent (from and including 1 January 2013 to and including 31

December 2037, a rate of 15.315 per cent) withholding tax even if paid to an individual non-resident of Japan or a non-Japanese corporation that is not a specially-related person of the Issuer."

3. There are no, nor have there been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which any Issuer is aware) which may have or have had in the recent past (covering at least the previous 12 months) a significant effect on the financial position of that Issuer and its subsidiaries.

4. Save as disclosed herein, since 31 March 2021 there has been no material adverse change in the prospects and no significant change in the financial position or performance of each Issuer and its subsidiaries (if any) taken as a whole.

5. SMFG produces annual consolidated financial statements in accordance with IFRS and semi-annual consolidated financial statements in accordance with IAS 34 and annual and quarterly consolidated financial statements in accordance with Japanese GAAP.

6. SMBC publishes annual and semi-annual consolidated financial statements, as well as annual and quarterly non-consolidated financial information as supplemental information to the statements published by SMFG, in each case in accordance with Japanese GAAP.

7. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code for each Series of Notes will be set out in the relevant Final Terms.

8. Each Final Terms will contain the relevant information in respect of each Tranche of Notes.

9. From the date hereof, during the life of the Programme and for so long as any Notes remain outstanding thereunder, the following documents will be available, with English translations where appropriate, during usual business hours on any weekday (Saturdays and public holidays excepted), at the specified office of the Fiscal Agent in London, the specified office of the Registrar in Luxembourg and the registered office of each Issuer:

   (i) the Agency Agreement (as amended or supplemented from time to time) (which includes the form of the Global Notes, the Definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons relating to Notes);

   (ii) the Deeds of Covenant (as amended or supplemented from time to time);

   (iii) the Procedures Memorandum (as amended or supplemented from time to time) (which sets out certain ancillary matters, including settlement procedures) applicable to the Programme;

   (iv) the Articles of Incorporation and the Regulations of the Board of Directors of SMFG and SMBC;

   (v) the audited consolidated financial statements of SMFG for the years ended 31 March 2020 and 2021, prepared in accordance with IFRS and Japanese GAAP; the audited consolidated financial statements of SMBC for the years ended 31 March 2020 and 2021, prepared in accordance with Japanese GAAP; and any unaudited quarterly consolidated financial statements of SMFG produced quarterly in accordance with Japanese GAAP and semi-annually in accordance with IAS 34, any audited annual consolidated financial statements of SMFG prepared in accordance with Japanese GAAP and any unaudited interim consolidated financial statements of SMBC produced semi-annually in accordance with Japanese GAAP, as soon as they are available;

   (vi) each Final Terms for Notes which are listed on the Luxembourg Stock Exchange or any other stock exchange;

(vii) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus.

10. To the extent any payment under the Notes is to be made in Luxembourg, such payment may be made through the settlement systems of Clearstream, Luxembourg.

11. KPMG AZSA LLC, Auditors of SMFG, have audited the consolidated financial statements of SMFG as of and for the three years ended 31 March 2021, prepared in accordance with IFRS and Japanese GAAP.

    KPMG AZSA LLC, Auditors of SMBC, have audited the consolidated financial statements of SMBC as of and for the three years ended 31 March 2021, prepared in accordance with Japanese GAAP.

12. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer, and/or its affiliates in the ordinary course of business. They have received, or may in the future receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or their affiliates. Certain of the Dealers or their affiliates that have lending relationships with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the relevant Issuer's securities, including potentially any Notes to be offered under the Programme. Any such short positions could adversely affect future trading prices of the Notes. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

ISSUERS

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REGISTRAR

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LISTING AGENT

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