

Press Release

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**The International Excellence in Retail Financial Services Awards 2011**

**Sumitomo Mitsui Banking Corporation (SMBC) Wins the Award for Best Retail Bank in Japan**

- *SMBC is the sole winner in Asia for the Best Retail Bank award in Japan.*
- *SMBC has expanded its international footprint through its listing on the New York Stock Exchange and partnerships with foreign banks such as Kotak Mahindra Bank.*
- *Over 170 banks and financial institutions from 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa were evaluated as part of the International Excellence in Retail Financial Services programme.*

**Singapore, March 11<sup>th</sup> 2011**—SMBC has been named the winner of Best Retail Bank award in Japan at the 10<sup>th</sup> International Excellence in Retail Financial Services Awards Programme. The bank received the awards at The International Excellence in Retail Financial Services 2011 Awards ceremony, held in conjunction with the region's most prestigious retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held at the Shangri La Hotel in Kuala Lumpur on March 11<sup>th</sup> 2011.

About 150 senior bankers from award-winning banks in 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa attended the glittering event that recognises their efforts in bringing superior products and services to their customers.

The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants and academics, is the most prestigious of its kind.

A stringent three-month evaluation process based on a balanced and transparent scorecard used to determine the winners and the positions of various retail banks in the region is attached.

***SMBC is the sole winner in Asia for the Best Retail Bank award in Japan.***

In the difficult operating environment of Japan's retail banking industry in 2010, SMBC reinforced its retail strategy with initiatives such as the launch of its equity-related business focused on research and trading as well as affluent and high-net-worth segment. Through these initiatives, SMBC managed to achieve slow revenue and profit growth of around 3% in its consumer banking business.

Private banking operations were introduced in June 2010 through leveraging on its wide customer base in Japan and using the unique product and services of its joint venture partner,

Barclays Wealth. This addressed the need for the bank to diversify its product offering into the high-net-worth customer segment within Japan.

SMBC also strengthened its consumer finance business as part of its retail business line-up, as it sees potential in the consumer finance business showing profitability in the medium to long run, with relatively thick spread. However in 2010 and the near future, banks might face refund claims and are studying the impact of the implementation of the Money-Lending Law and the bankruptcy of Takefuji.

The bank also strengthened its credit card business which has a customer base of over 20 million. In addition to rolling out new products, the bank launched a number of key initiatives on the IT and data processing front, amongst others the rollout of a sales and billing management system and a delinquency management system.

**SMBC has expanded its international footprint through its listing on the New York Stock Exchange and partnerships with foreign banks such as Kotak Mahindra Bank.**

SMBC also became more active internationally, culminating with the listing of the bank's parent company on the New York Stock Exchange. SMBC grew its international footprint through cooperation with Kotak Mahindra Bank to tap into new ventures in India, and the setting up of a fund management venture for Japanese companies seeking business opportunities in China.

Chris Kapfer, head of Asian Banker Research, comments: "The Japanese economy witnessed many tough challenges in 2010. SMBC has displayed its resilience during these times and pulled through remarkably. Its drive to be the premier banking service provider in Japan has seen it adopt a mindset of continuous innovation. Coupled with its foresight of making strategic acquisitions abroad, SMBC is turning into a global banking powerhouse to be reckoned with."

**Over 170 banks in 29 countries across Asia, and this year for the first time Africa, were evaluated as part of The International Excellence in Retail Financial Services Programme.**

"This year over 170 banks and financial institutions in 29 countries across Asia were evaluated as part of The Excellence in Retail Financial Services Programme in what has become the most prestigious, comprehensive and anticipated awards programme that recognises the pursuit of excellence amongst retail financial institutions anywhere in the world today" said Philippe Paillart, chairman of The International Excellence in Retail Financial Services Programme. He added: "It is amazing to see the rapid development of the retail financial services industry every year, and to experience the narrowing gap between mature and emerging market banks in terms of operational efficiency and technology."

The transparent award evaluation process uses a balanced scorecard approach and a comprehensive methodology to evaluate the strength of individual banks' retail banking

businesses that involve extensive research and probing interviews, and taps the combined experience of a team of experienced researchers.

Paillart, formerly vice chairman and CEO of DBS Bank and a pioneer in the retail banking industry in the Asia Pacific region, elaborated: “The Asian Banker Excellence Programme was instituted in 2001 on the premise that an outstanding player in the retail financial services industry should build business franchises that are sustainable, competitive and profitable over a period of time. To stay abreast of the rapidly growing geographic scope of the programme, The Asian Banker has renamed the awards ‘The International Retail Financial Services Awards’ in 2011.”

### **About The Asian Banker**

The Asian Banker is the region’s most authoritative provider of strategic business intelligence to the financial services community. The Singapore-based company has offices in Singapore, Malaysia, Hong Kong and Shanghai as well as representatives in London, New York and San Francisco. It has a business model that revolves around three core business lines: publications, research services and forums. The company’s website is [www.theasianbanker.com](http://www.theasianbanker.com)

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