

Media Release

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SMFG to acquire 74.9% stake in FICC; Partnership to participate in India's long-term growth story

Sumitomo Mitsui Financial Group, Inc. ("SMFG") and Fullerton Financial Holdings Pte Ltd. ("FFH") today reached an agreement for SMFG to acquire a 74.9% stake in Fullerton India Credit Company Limited ("FICC") from FFH, subject to regulatory approvals. SMFG will eventually acquire 100% of FICC.

This investment brings together SMFG's Asian push towards consumer and MSME lending, with FICC's expertise in serving mass-market consumers and MSME customers in India. The transaction reaffirms the strength of FICC's platform underpinned by best-in-class corporate governance, risk management, prudent liquidity management, agile technology, and advanced analytics. SMFG and FFH will work together on the next leg of FICC's growth.

"SMFG is one of the largest financial service groups in Japan offering a diverse range of financial services. We intend to leverage our expertise in Japan market as well as capabilities of our franchises across key emerging Asian markets. We are pleased to partner with FFH and jointly accelerate FICC's growth strategy.", said Jun Ohta, President & Group CEO of SMFG. Mr. Ohta added, "India is one of our focus markets where we believe in its high growth potential and want to build a deeper presence. As a long-term investor, we believe that the FICC platform's innate strengths of multi-product focus, pan-India distribution, and strong management will enable us to build a comprehensive financial service offering in India."

"FFH's mission since inception is to be the catalyst in enriching lives and enabling success of customers and communities served by our portfolio companies across Asia. We have developed FICC into a differentiated financial services franchise driving impact for the growing mass market consumers and enterprises through a pan-India presence and a scalable digital platform. We are delighted to partner SMFG who shares our conviction in the potential of India.", said Mr. Hong Ping Yeo, CEO of FFH. "We believe that SMFG's experience in building high quality franchises and digital platforms in emerging markets aligns with our vision for FICC.", Mr. Yeo added.

"Over the years, we have built a strong franchise with high governance standards and remained resolute in our financial inclusion journey, serving customers in the country's hinterlands, through our extensive distribution network," said Mr. Shantanu Mitra, Managing Director and CEO of FICC. Mr. Mitra added, "With SMFG's strong endorsement of our capabilities and potential to scale up further, we are sure we will further strengthen the franchise and create long term value for all our stakeholders."

Additional transaction details

Fullerton India Home Finance Co. Ltd ("Grihashakti"), a housing finance company (HFC), will continue to be a wholly-owned subsidiary of FICC. The transaction is subject to regulatory approvals.

Citigroup, Cyril Amarchand Mangaldas, Allen & Overy were financial and legal advisors to FFH whereas J.P. Morgan, Anderson Mori & Tomotsune were financial and legal advisors to SMFG.

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About SMFG

[Sumitomo Mitsui Financial Group, Inc. \("SMFG"\)](#) is the holding company of one of the largest global banking and financial service groups, offering a diverse range of financial services, including commercial banking, leasing, securities and consumer finance with a heritage exceeding 400 years in Japan. SMFG is listed on the Tokyo and New York (via ADR) Stock Exchanges and has a market capitalization of approximately US\$47.4 billion (as of 30 June 2021). SMFG is one of global systemically important banks (G-SIBs) and has high credit ratings of A1 by Moody's Investors Service, and A- by Standard & Poor's.

About FFH

[Fullerton Financial Holdings Pte. Ltd. \("FFH"\)](#) is an independently-operated strategic and operating investor in financial and related services in emerging markets. FFH creates shareholder value by being committed to building differentiated business models focused on the Mass Market and SME segments, and an enabler of digital innovation for its portfolio companies. FFH is a wholly-owned independent portfolio company of Singapore-headquartered investment company, Temasek.

About FICC

[Fullerton India Credit Company Ltd. \("FICC"\)](#) is a diversified NBFC registered in India and a wholly-owned subsidiary of FFH. FICC started its India operations in 2007 and has established a pan India presence – across 600 towns and 58,000+ villages through 629 branches and 13,000+ employees offering lending products to 2.3 million bankable yet underserved retail and small business borrowers.

About FIHFC

[Fullerton India Housing Finance Company Ltd. \("FIHFC"\)](#) is a housing finance company registered in India and a wholly-owned subsidiary of FICC. FIHFC offers loans to salaried and self-employed individuals and organisations. Launched in December 2015 and headquartered in Mumbai, FIHFC caters to the housing finance needs of over 23,000 customers across India and operates in 70 locations with 650+ employees.