

Notice regarding Establishment of Overseas Special Purpose Subsidiary and  
Issuance of Non-Dilutive Non-Cumulative Perpetual Preferred Securities

TOKYO, August 24, 2009 --- Sumitomo Mitsui Financial Group, Inc. (SMFG, President: Teisuke Kitayama) hereby announces that its board of directors has resolved to establish a wholly-owned overseas special purpose subsidiary (the “Cayman Subsidiary”) in the Cayman Islands and to issue perpetual preferred securities through the Cayman Subsidiary (the “Preferred Securities”).

The Preferred Securities are non-dilutive non-cumulative perpetual preferred securities to be issued by the Cayman Subsidiary and are expected to qualify as Tier I capital under the applicable regulations in Japan. The Preferred Securities are not convertible into common stock of SMFG.

PARTICULARS

Issuer	SMFG Preferred Capital JPY 3 Limited
	The issuer is an overseas special purpose subsidiary established in the Cayman Islands, the voting rights of which are wholly owned by SMFG
Type of Security	Japanese yen denominated Non-Cumulative Perpetual Preferred Securities
	The Preferred Securities are not convertible into common stock of SMFG
Total Issue Amount	To be determined
Use of Proceeds	To be ultimately applied to strengthen the capital base of Sumitomo Mitsui Banking Corporation, a banking subsidiary of SMFG
Ranking	The Preferred Securities rank, as to liquidation preferences, effectively <i>pari passu</i> with preferred stock of SMFG
Method of Offering	Private placement to qualified institutional investors, etc. in Japan
Listing	Unlisted

*Note: The above description is prepared on the assumptions that SMFG performs necessary filings and obtains the approval required under the relevant laws.*

<p>Disclaimer: This document is prepared for the purpose of public disclosure about establishment of an overseas special purpose subsidiary and issuance of the Preferred Securities by SMFG and does not constitute a solicitation of an offer for purchase of any securities in and outside of Japan. This document is not an offer to sell or a solicitation of any offer to buy the Preferred Securities in the United States. The Preferred Securities set forth above have not been and will not be registered under the United States Securities Act of 1933 (the “Act”) and may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements under the Act.</p>
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