

## **SMBC, Promise and At-Loan Announce Partial Revision of Business Model under Cascade Strategy**

TOKYO, March 30, 2010 — Sumitomo Mitsui Financial Group, Inc. (“SMFG”, President: Teisuke Kitayama), Sumitomo Mitsui Banking Corporation (“SMBC”, President: Masayuki Oku), Promise Co., Ltd. (“Promise”, President: Ken Kubo), and At-Loan Co., Ltd. (“At-Loan”, President: Shozo Watanabe) have made the following revisions of the business model under the cascade strategy.

### 1. Background

In June 2004, SMFG and Promise reached an agreement to form a strategic alliance in consumer finance business. A joint consumer finance business model called the cascade strategy began in April 2005, operated by SMBC, Promise and At-Loan, positioning At-Loan as a joint venture under this strategic alliance. In February 2007, the number of loan providers changed from three (SMBC, At-Loan and Promise) to two (SMBC and At-Loan). This business has grown steadily in these five years, and, at the end of December 2009, consumer loans outstanding at the two companies totaled JPY 418.7 billion, among which JPY 116.4 billion for At-Loan.

Considering the drastic change in consumer finance business environment like the full enforcement of the amended Money Lending Act, SMFG, SMBC, Promise and At-Loan have decided to make the second revision of the business model under the cascade strategy in order to promote the strategic alliance between SMFG and Promise, and to address sound borrowing needs of consumers more accurately and speedily, by binding their brands, customer bases, expertise and other resources.

And furthermore, SMFG, SMBC, Promise and At-Loan have reached a basic agreement on the absorption-type merger of At-Loan by Promise, which was shown as a part of group companies’ strategy in the business structural reform plan already released by Promise in January 2010.

Note: The cascade strategy is a joint consumer finance business model operated by SMBC, Promise and At-Loan. Currently, SMBC and At-Loan sell consumer loans to new customers and Promise guarantees all loans extended by SMBC and At-Loan.

### 2. Summary of the revisions

#### (1) Revision of the business model under the cascade strategy

Under the cascade strategy, consumer loans are currently offered by two parties, SMBC and At-Loan. At-Loan will stop selling consumer loans to new customers. After that, Promise will guarantee all loans extended by SMBC as before. SMBC and Promise will coordinate in promoting consumer loan business by expanding the scope of loan products or improving convenience for customers. SMBC will also begin to consider introducing new customers to Promise.

#### (2) Merger of At-Loan by Promise

Promise will conduct an absorption-type merger of At-Loan on the condition that SMBC gives its

all shares of At-Loan to Promise and At-Loan becomes a wholly-owned subsidiary of Promise.

<Regarding the existing customers of At-Loan>

Existing customers of At-Loan can hold their accounts as before. After the merger, the accounts will be transferred to Promise and the customers can use financial services through the network offered by SMBC and Promise.

### 3. Dates of effectiveness

(1) Discontinuance of selling loans to new customers by At-Loan : May 31, 2010 (schedule)

(2) Merger of At-Loan by Promise : April 1, 2011 (schedule)

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