

This document contains certain forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may materially differ from those contained in the forward-looking statements as a result of various factors. s

The following items are among the factors that could cause actual results to differ materially from the forward-looking statements in this material: business conditions in the banking industry, the regulatory environment, new legislation, competition with other financial services companies, changing technology and evolving banking industry standards and similar matters.

Figures in the charts are round numbers. Figures in parenthesis indicate loss or decrease.

November 22, 2005

Announcement of Financial Results for the Six Months ended September 30, 2005

We would now like to explain our financial results for the six months ended September 30, 2005, by using *Financial Results for the Six Months ended September 30, 2005* and *Financial Results for the Six Months ended September 30, 2005 Supplementary Information*.

The *Financial Results* of Sumitomo Mitsui Financial Group (“SMFG”) is provided pursuant to the listing rules. Financial statements of Sumitomo Mitsui Banking Corporation (“SMBC”) are provided at the end of SMFG’s *Supplementary Information* as “Reference.”

Let us look at the *Supplementary Information*. In this report, <Non-consolidated> indicates SMBC’s non-consolidated figures and <Consolidated> indicates SMFG’s consolidated figures if not otherwise specified.

<SMBC Non-consolidated Financial Results>

Please look at page 1. This is an overview of SMBC’s non-consolidated financial results. In line 22, Banking profit before provision for general reserve for possible loan losses was JPY 474.2 billion, almost the same as a year earlier (a JPY 2.6 billion increase year over year).

Gross banking profit, shown in line 1, was JPY 766.6 billion, an increase of JPY 3.9 billion year over year. The profit increase was due to the steady rise in the marketing units’ profits from increases in Net fees and commissions, offsetting the decrease in profits of the Treasury Unit due to rise in U.S. dollar interest rates.

With regard to Expenses in line 18, despite the decrease in Personnel expenses from further workforce streamlining and other measures, Expenses increased year over year by JPY 1.3 billion, to JPY 292.4 billion, due to the increase in Non-personnel expenses caused by aggressive investment in strategic businesses.

<SMBC Non-consolidated>		(Billions of yen)		
		Six months ended		Six months ended
		Sep. 30, 2005	Change	Sep. 30, 2004
	1	766.6	3.9	762.7
Gross banking profit				
	18	(292.4)	(1.3)	(291.1)
Expenses (excluding non-recurring losses)				
	22	474.2	2.6	471.6
Banking profit (before provision for general reserve for possible loan losses)				

Let us move on to Non-recurring gains (losses). Total credit cost, calculated by adding the amount of Credit related costs in line 28 and Provision for general reserve for possible loan losses in line 24, decreased greatly to JPY 129.7 billion as shown in line 50 at the bottom of the page.

The decline in Total credit cost was due to measures taken in fiscal 2004 for intensive improvement in asset quality, such as increasing the loan loss reserves, in order to be better prepared for future credit risks.

<SMBC Non-consolidated>		(Billions of yen)		
		Six months ended		Six months ended
		Sep. 30, 2005	Change	Sep. 30, 2004
	24	24.3	(325.4)	349.7
Provision for general reserve for possible loan losses				
	27	(138.7)	557.4	(696.1)
Non-recurring gains (losses)				
	28	(154.0)	651.5	(805.5)
Credit related costs				
	50	(129.7)	326.1	(455.8)
Total credit cost (24+28)				

Now looking at Gains (losses) on stocks in line 33, despite recording JPY 8.8 billion in Losses on devaluation of stocks (line 36) with respect to unlisted stocks and etc., there was a net gain of JPY 25.0 billion thanks to JPY 33.8 billion in net gains on sale of stocks from higher share prices.

<SMBC Non-consolidated>

(Billions of yen)

		Six months ended		Six months ended Sep. 30, 2004
		Sep. 30, 2005	Change	
Gains (losses) on stocks	33	25.0	(19.8)	44.8
Gains on sale of stocks	34	34.2	(25.8)	60.0
Losses on sale of stocks	35	(0.4)	0	(0.4)
Losses on devaluation of stocks	36	(8.8)	6.0	(14.8)

These items added up to Ordinary profit of JPY 359.8 billion, a JPY 234.6 billion increase year over year, as shown in line 38.

Extraordinary gains (losses) were a net loss of JPY 4.7 billion as shown in line 39.

Extraordinary gains (losses) include JPY 5.3 billion in Losses on impairment of fixed assets, recorded due to the application of Accounting Standard for Impairment of Fixed Assets from this fiscal year.

As shown in line 46, Income taxes totaled JPY 5.1 billion, mainly due to the tax payments in overseas branches.

Also, in order to secure a sound financial base, deferred income tax has been recorded conservatively. Deferred income tax was JPY 51.3 billion, as shown in line 48.

As a result, in line 49, we can see Net income of JPY 298.7 billion, a year over year increase of JPY 180.1 billion.

<SMBC Non-consolidated>

(Billions of yen)

		Six months ended		Six months ended Sep. 30, 2004
		Sep. 30, 2005	Change	
Ordinary profit	38	359.8	234.6	125.2
Extraordinary gains (losses)	39	(4.7)	7.4	(12.1)
Income before income taxes	45	355.1	242.0	113.1
Income taxes, current	46	(5.1)	(3.4)	(1.7)
Income taxes, refund	47	-	(7.4)	7.4
Income taxes, deferred	48	(51.3)	(51.1)	(0.2)
Net income	49	298.7	180.1	118.6

<SMFG Consolidated Financial Results>

Let us now look at SMFG's consolidated financial results on the next page. Mainly due to the increase in SMBC's profit, Ordinary profit shown in line 16 was JPY 463.8 billion, an increase of JPY 349.7 billion year over year, and Net income shown in line 24 was JPY 392.3 billion, an increase of JPY 338.9 billion year over year.

<SMFG Consolidated>

(Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2005	Change	Sep. 30, 2004
Consolidated gross profit	1	1,021.9	1.9	1,020.0
General and administrative expenses	7	(421.6)	2.0	(423.6)
Credit related costs	8	(176.5)	436.3	(612.8)
Gains (losses) on stocks	13	35.2	(13.6)	48.8
Equity in earnings of affiliates	14	14.1	1.2	12.9
Other income (expenses)	15	(9.3)	(78.2)	68.9
Ordinary profit	16	463.8	349.7	114.1
Net income	24	392.3	338.9	53.4

<Unrealized Gains (Losses) on Securities>

Next, let us look at page 4 for Unrealized gains (losses) on securities. Figures on non-consolidated Unrealized gains (losses) on securities portfolio of SMBC are shown in the middle of the page. In the table, you can find Unrealized gains on Other securities totaling JPY 851.6 billion, consisting of Gains on stocks (JPY 945.4 billion), Losses on bonds (JPY 80.3 billion), and Losses on others (JPY 13.5 billion).

<SMBC Non-consolidated>

(Billions of yen)

	Sep. 30, 2005			
	Net unrealized gains (losses)			
		Change from Mar. 31, 2005	Gains	Losses
Other securities	851.6	200.2	1,013.9	(162.3)
Stocks	945.4	278.1	980.1	(34.7)
Bonds	(80.3)	(88.0)	2.9	(83.2)
Others	(13.5)	10.1	30.9	(44.4)

<BIS Capital Ratio>

Next, we would like to explain about the consolidated BIS capital ratio on page 7. As you can see, the preliminary figure on the consolidated BIS capital ratio as of September 30, 2005 was 11.00%, a 1.06% increase compared with March 31, 2005, mainly due to the recording of net income.

<SMFG Consolidated>

	Sep. 30, 2005		Mar. 31, 2005
	[Preliminary]	Change	
Capital ratio (%)	11.00	1.06	9.94

<Non-Performing Loans>

Let us now move on to page 8, which shows the situation of non-performing loans.

The breakdown of Problem assets based on the Financial Reconstruction Law is as follows:

Bankrupt and quasi-bankrupt assets:	JPY 301.7 billion
Doubtful assets:	JPY 723.8 billion
Substandard loans:	JPY 380.5 billion

The aggregate amount was JPY 1,406.0 billion (a JPY 418.6 billion decrease compared with March 31, 2005).

Meanwhile, Problem asset ratio, a ratio of Problem assets to Total assets which include Normal assets, was 2.5%, a 0.8 percentage point decrease compared with March 31, 2005.

<SMBC Non-consolidated>

(Billions of yen, %)

	Sep. 30, 2005	Change from Mar. 31, 2005
Bankrupt and quasi-bankrupt assets	301.7	(146.6)
Doubtful assets	723.8	(200.6)
Substandard loans	380.5	(71.4)
Total (A)	1,406.0	(418.6)
Normal assets	54,970.7	1,518.1
Total (B)	56,376.7	1,099.5
Problem asset ratio (A/B)	2.5%	(0.8%)

The Reserve ratio for each category of borrowers is as follows:

- 100% for the unsecured portion of Bankrupt and quasi-bankrupt assets
- 89.8% for the unsecured portion of Doubtful assets
- 52.6% for the unsecured portion of Substandard loans

For Normal assets, the Reserve ratio for total claims on Borrowers requiring caution, excluding Substandard borrowers, was 4.7%.

Meanwhile, the Reserve ratio for total claims on Normal borrowers was 0.2%.

The progress in “off-balancing” of Problem assets is summarized on pages 12 to 15. The total amount off-balanced in the first half of fiscal 2005 was JPY 662.3 billion, as shown in the “Reference” of page 15.

<Deferred Tax Assets>

On pages 21 to 22, an explanation of Deferred tax assets for SMBC non-consolidated is provided.

First, on page 21, the amount of Net deferred tax assets on the Balance Sheet and the breakdown by factor are provided. The amount of Net deferred tax assets recorded on the Balance Sheet as of September 30, 2005 was JPY 1,328.5 billion as shown in line 16, a JPY 173.7 billion decrease compared with March 31, 2005.

This decrease was mainly due to steady collection of Deferred tax assets with recognition of Income before income taxes, as well as the increase in Deferred tax liability thanks to the increase in Unrealized gains on other securities from the stronger stock market.

Please also refer to “(2) Reason for Recognition of Deferred Tax Assets” on page 22.

<SMBC Non-consolidated>		(Billions of yen)		
		Sep. 30, 2005	Change	Mar. 31, 2005
Net deferred tax assets (Balance sheet amount)	16	1,328.5	(173.7)	1,502.2
Amount corresponding to the deferred tax liabilities related to Net unrealized gains on other securities	17	(346.5)	(82.0)	(264.5)
Net deferred tax assets excluding the amount shown in line 17	18	1,675.0	(91.7)	1,766.7

< Earnings Forecast for fiscal 2005 >

Lastly, we will explain about the earnings forecast for fiscal 2005, which you can see on page 23.

Let us look at SMFG’s non-consolidated earnings forecast for fiscal 2005. We forecast Operating income of JPY 54.0 billion, Ordinary profit of JPY 48.0 billion and Net income of JPY 70.0 billion.

Total dividends for fiscal 2005 are expected to be JPY 46.4 billion, with dividend per common share of JPY 3,000, which is the same as in fiscal 2004 in order to continuously build up retained earnings, and dividend per preferred share is as originally set.

<SMFG Non-consolidated>	(Billions of yen)
	fiscal 2005 forecast
Operating income	54.0
Ordinary profit	48.0
Net income	70.0

Next, let us look at SMFG's consolidated earnings forecast for fiscal 2005. We revised the earnings forecasts for fiscal 2005 announced in May 2005, mainly due to the increase in SMBC's profit. Ordinary profit and Net income are expected to be JPY 850.0 billion (a JPY 70.0 billion increase compared with the previous forecast) and JPY 550.0 billion (a JPY 90.0 billion increase compared with the previous forecast) respectively.

SMBC's non-consolidated earnings forecast for fiscal 2005 is shown at the bottom of the page. We revised the earnings forecasts for fiscal 2005 announced in May 2005, mainly due to an increase in Gains (losses) on stocks from higher share prices. We expect:

Banking profit (before provision for general reserve for possible loan losses):

JPY 950.0 billion

Ordinary profit: JPY 660.0 billion

(a JPY 50.0 billion increase compared with the previous forecast)

Net income: JPY 430.0 billion

(a JPY 80.0 billion increase compared with the previous forecast)

Total credit cost: JPY 300.0 billion