

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.

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 14, 2008

Announcement of Financial Results for the Six Months ended September 30, 2008

We would now like to explain our financial results for the Six Months ended September 30, 2008, by using *Consolidated Financial Results for the Six Months ended September 30, 2008* and *Financial Results for the Six Months ended September 30, 2008 Supplementary Information*.

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 of allowance for general loan losses was JPY 378.5 billion, a JPY 12.4 billion decrease year over year.

Gross banking profit, shown in line 1, was JPY 735.1 billion, an increase of JPY 16.6 billion year over year.

This was mainly due to an increase of Net interest income and Net fees and commissions in overseas operations, led by improvement of loan to deposit spread in accordance with decline of US\$ interest rate in last fiscal year and by increase in fee income in line with increase in overseas loan balance, though Net fees and commissions of domestic operations decreased, led by a decrease in sales of investment trusts due to weak stock market and increasing concern for economic slowdown.

Expenses, shown in line 18, increased by JPY 29.0 billion year over year, to JPY 356.6 billion, mainly due to the investment in IT systems to strengthen growth business areas, and the increase in expenses for expanding channel network and reinforcing human resources.

<SMBC Non-consolidated> (Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2008	Change	Sep. 30, 2007
Gross banking profit	1	735.1	16.6	718.5
Expenses (excluding non-recurring loss)	18	(356.6)	(29.0)	(327.6)
Banking profit (before provision of allowance for general loan losses)	22	378.5	(12.4)	390.9

Let us move on to Non-recurring gain (loss).

Total credit cost, calculated by adding Credit costs in line 28, Provision of allowance for general loan losses in line 24 and Gain on collection of written-off claims in line 38, was JPY 224.1 billion, a JPY 109.9 billion increase year over year, as shown in line 43.

Total credit cost was increased due to the worsening borrowers' business performance and the provisioning for claims on certain overseas financial institutions against a backdrop of financial market turmoil and global economic slowdown.

<SMBC Non-consolidated> (Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2008	Change	Sep. 30, 2007
Provision of allowance for general loan losses	24	(3.7)	4.1	(7.8)
Non-recurring gain (loss)	27	(252.6)	(27.4)	(225.3)
Credit costs	28	(220.4)	(114.0)	(106.4)
Extraordinary income (loss)	35	(1.2)	1.4	(2.6)
Gain on collection of written-off claims	38	0.0	(0.0)	0.0
Total credit cost (24+28+38)	43	(224.1)	(109.9)	(114.2)

Now looking at Gain (loss) on stocks in line 29, there was a net loss of JPY 17.2 billion, due to Loss on devaluation of stocks of JPY 22.0 billion shown in line 32, mainly from domestic stocks.

<SMBC Non-consolidated> (Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2008	Change	Sep. 30, 2007
Gain (loss) on stocks	29	(17.2)	86.6	(103.8)
Gain on sale of stocks	30	5.4	(2.8)	8.2
Loss on sale of stocks	31	(0.6)	(0.0)	(0.5)
Loss on devaluation of stocks	32	(22.0)	89.5	(111.5)

These items added up to Ordinary profit of JPY 122.1 billion, a JPY 35.7 billion decrease year over year, as shown in line 34.

Also, in order to secure sound financial base, Deferred income taxes have been recognized conservatively and was JPY 33.3 billion, as shown in line 41.

As a result, shown in line 42, Net income was JPY 80.4 billion, a year over year increase of JPY 16.6 billion.

<SMBC Non-consolidated> (Billions of yen)

		Six months ended		Six months ended Sep. 30, 2007
		Sep. 30, 2008	Change	
Ordinary profit	34	122.1	(35.7)	157.8
Extraordinary income (loss)	35	(1.2)	1.4	(2.6)
Income before income taxes	39	120.9	(34.3)	155.2
Income taxes-current	40	(7.2)	0.1	(7.2)
Income taxes-deferred	41	(33.3)	50.9	(84.2)
Net income	42	80.4	16.6	63.8

<SMFG Consolidated Financial Results>

Let us now look at SMFG's consolidated financial results on the next page.

Ordinary profit shown in line 16 decreased by JPY 162.3 billion year over year to JPY 191.0 billion, and Net income decreased by JPY 87.3 billion year over year to JPY 83.3 billion, mainly due to an increase in Total credit cost by JPY 159.0 billion year over year, to JPY 302.1 billion shown in line 25, led by the economic slowdown in both domestic and overseas markets.

<SMFG Consolidated> (Billions of yen)

		Six months ended		Six months ended Sep. 30, 2007
		Sep. 30, 2008	Change	
Consolidated gross profit	1	1,068.1	45.6	1,022.6
General and administrative expenses	7	(539.0)	(61.6)	(477.4)
Credit costs	8	(303.0)	(159.6)	(143.5)
Gain (loss) on stocks	13	(19.8)	27.6	(47.4)
Equity in earnings (losses) of affiliates	14	(6.1)	(25.2)	19.0
Other income (expenses)	15	(9.2)	10.8	(20.1)
Ordinary profit	16	191.0	(162.3)	353.2
Net income	24	83.3	(87.3)	170.6
Total credit cost	25	(302.1)	(159.0)	(143.1)

<Unrealized Gain (Loss) on Securities>

Next, let us look at page 4 for Unrealized gain (loss) on securities.

Figures on non-consolidated Unrealized gain (loss) on securities portfolio of SMBC are shown in the middle of the page.

In the table, you can see Net unrealized gain on other securities was JPY 629.8 billion, which consists of Gain on stocks of JPY 782.5 billion, Loss on bonds of JPY 56.5 billion and Loss on others of JPY 96.2 billion.

Based on the “Practical Solution on Measurement of Fair Value of Financial Assets”(Accounting Standard Board of Japan Practical Issues Task Force No.25, issued on October 28, 2008), 15-year floating rate Japanese government bonds, which SMBC had approximately JPY 1.8 trillion on acquisition cost basis, have been carried at their reasonably estimated amounts rather than at market price and Net unrealized loss on bonds was decreased JPY 147.9 billion. As a result, Net unrealized loss on other securities decreased by the same amount.

<SMBC Non-consolidated>

(Billions of yen)

	Sep. 30, 2008			
	Net unrealized gain (loss)			
		Change from Mar. 31, 2008	Gain	Loss
Other securities	629.8	(125.9)	859.5	(229.7)
Stocks	782.5	(153.9)	844.6	(62.1)
Bonds	(56.5)	73.0	0.6	(57.1)
Others	(96.2)	(45.1)	14.3	(110.5)

<BIS Capital Ratio>

Next, we would like to explain the consolidated capital ratio on page 7.

As you can see, the preliminary figure on the consolidated capital ratio as of September 30, 2008 was 10.25%, a decrease of 0.31 % compared with that of March 31, 2008.

This was principally due to a decrease of Net unrealized gain on other securities as a result of a decline in stock market prices.

<SMFG Consolidated>

(%)

	Sep. 30, 2008		Mar. 31, 2008
	[Preliminary]	Change	
Capital ratio	10.25	(0.31)	10.56

<Non-Performing Loans>

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

The total amount of Problem assets based on the Financial Reconstruction Law was JPY 1,076.9 billion, a JPY 273.0 billion increase year over year, led by an increase in corporate bankruptcies against a backdrop of economic slowdown.

Meanwhile, Problem asset ratio, a ratio of Problem assets to Total credit which includes Normal assets was 1.62%, an increase of 0.38% compared with March 31, 2008.

<SMBC Non-consolidated> (Billions of yen, %)

	Sep. 30, 2008	Change from Mar. 31, 2008	Mar. 31, 2008
Bankrupt and quasi-bankrupt assets	269.1	151.3	117.8
Doubtful assets	525.8	123.7	402.0
Substandard loans	282.0	(2.1)	284.2
Total (A)	1,076.9	273.0	803.9
Normal assets	65,343.4	1,415.3	63,928.1
Total (B)	66,420.3	1,688.3	64,732.1
Problem asset ratio (A/B)	1.62%	0.38%	1.24%

< Earnings Forecast for FY 2008 >

Next, we will explain the earnings forecast for FY2008 on page 20.

Please look at Dividend per share forecast.

SMFG expects its consolidated earnings in FY2008 to decrease from the previous fiscal year against a backdrop of the financial market turmoil and global economic slowdown. As a result, SMFG has revised its forecast on cash dividends on common stock for FY2008 to JPY 12,000 per share. This is a decrease of JPY 2,000 compared with the previous forecast of JPY 14,000, but the same level as the previous fiscal year.

As a result, JPY 7,000 of annual dividend per common share will be paid as an interim dividend, and year-end dividend will be changed from JPY 7,000 to JPY 5,000.

<SMFG Non-consolidated>
Dividend per share forecast for the fiscal year end (Yen)

	FY2008		FY2007 Annual Result
	Interim	Annual (Forecast)	
Common stock	7,000	12,000	12,000

Dividend per preferred share will be paid as originally set in the dividend forecast announced in May 2008.

SMFG pays dividends to its shareholders by receiving the equivalent amount from its subsidiaries in dividends. As a result of the revision of dividend forecast mentioned above, the dividends from subsidiaries are expected to decrease as well. Accordingly, SMFG has revised its earnings forecast for FY2008 on a non-consolidated basis as follows:

Operating income:	JPY 135.0 billion
Operating profit:	JPY 130.0 billion
Ordinary profit:	JPY 110.0 billion
Net income:	JPY 105.0 billion.

Next, in the middle of the page, we forecast SMFG's consolidated earnings for FY2008, as announced on October 29, to decrease compared with the previous forecast mainly due to a decrease in SMBC's profits:

Ordinary profit:	JPY 480.0 billion
Net income:	JPY 180.0 billion

As announced on October 29, we expect SMBC's non-consolidated earnings for FY2008 to decrease compared with the previous forecast due to an increase in Total credit cost and the expansion of loss on stocks, as shown below:

Banking profit:	JPY 800.0 billion
Ordinary profit:	JPY 320.0 billion
Net income:	JPY 160.0 billion
Total credit cost:	JPY 370.0 billion

< Overview of medium-term management plan, management policy in FY2008 and its progress >

Please look at page 21, which shows an overview of medium-term management plan, management policy in FY2008, and its progress.

At the top, we explain overview of our medium-term management plan, and in the middle, we show the management policy and strategic initiatives in FY2008.

As for FY2008, in order to take a step forward, while coping with uncertainty in business environment, we continue to proactively deal with potential generation and expansion of losses in an early stage and consistently pursue our two strategic initiatives: namely, “strengthening targeted growth business areas” and “fortifying platform for supporting sustainable growth.” In July 2008, we invested in Barclays PLC and reached an agreement on strategic corporation and started to explore joint business development opportunities, and in October 2008 we established SMFG Card & Credit, an intermediate holding company of credit card business.

Nevertheless, as shown at the bottom, the macro-economic reality has diverged from the original assumptions of "interest rate hikes under steady expansion of economy" under the plan. Consequently, it has become difficult to accomplish Net income target for FY2009 within the period of current plan.

SMFG continuously aims for taking a step forward to "realize solid financial base as a global player" through persistence of business efficiency with overhead ratio of less than 50% on SMBC and steady increase of Tier I ratio, and consistently takes the necessary actions for future growth.

< SMFG's exposure of securitized products >

Let us look at exposure of securitized products summarized from page 22.

As shown at the top table, the balance of subprime loan related securitized products after the provisions and write-offs was JPY 1.3 billion as of September 30, 2008.

As shown at the bottom table, the balance of securitized products other than subprime loan related products after the provisions and write-offs was approximately JPY 249.7 billion, of which JPY 178.2 billion was securities guaranteed by U.S. government sponsored enterprises. Total unrealized loss was JPY 5.2 billion as of September 30,

2008.

As explained, our exposure of securitized products is limited, and we believe the risks associated with the exposures are insignificant.

This is the end of presentation. Thank you very much for your attention.

(END)