

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 13, 2009

Announcement of Financial Results for the Six Months ended September 30, 2009

We would now like to explain our financial results for the Six Months ended September 30, 2009, by using *Financial Results for the Six Months ended September 30, 2009* and *Financial Results for the Six Months ended September 30, 2009 Supplementary Information*.

Let us look at the *Supplementary Information*.

<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 decreased by JPY 0.8 billion year over year to JPY 377.6 billion, almost the same level as a year earlier.

Gross banking profit, shown in line 1, was JPY 719.3 billion, a JPY 15.7 billion decrease year over year.

This was mainly due to (a) a decrease in income on liquidity deposits derived from the policy interest rate cuts last year, and (b) a decrease of income on foreign exchanges and profits related to investment banking business under the faltering macro economy, while (c) an increase in Gains on bonds led by quickly responding to fluctuation in market interest rates, and (d) an improvement in spreads of loans principally to large corporations and overseas clients.

Expenses, shown in line 18, decreased by JPY 14.9 billion year over year, to JPY 341.7 billion, led mainly by more stringent control on expenses under current severe business environment.

<SMBC Non-consolidated> (Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2009	Change	Sep. 30, 2008
Gross banking profit	1	719.3	(15.7)	735.0
Expenses (excluding non-recurring losses)	18	(341.7)	14.9	(356.6)
Banking profit (before provision for general reserve for possible loan losses)	22	377.6	(0.8)	378.4
Gains (losses) on bonds	26	38.9	43.4	(4.5)

Let us move on to Non-recurring gains (losses).

Total credit cost, calculated by adding Credit costs in line 28, Provision for general reserves for possible loan losses in line 24 and Recoveries of written-off claims in line 38, was JPY 156.9 billion, a JPY 67.2 billion decrease year over year, as shown in line 43.

Total credit cost decreased mainly through in-depth approaches suiting to our clients' conditions and the improvement of overseas markets, in addition to the effect of Japanese government's stimulus package such as the emergency credit guarantee program through credit guarantee corporations.

<SMBC Non-consolidated> (Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2009	Change	Sep. 30, 2008
Provision for general reserve for possible loan losses	24	47.6	51.3	(3.7)
Non-recurring gains (losses)	27	(278.2)	(25.6)	(252.6)
Credit costs	28	(204.6)	15.8	(220.4)
Extraordinary gains (losses)	35	(2.0)	(0.8)	(1.2)
Recoveries of written-off claims	38	0.1	0.1	0.0
Total credit cost (24+28+38)	43	(156.9)	67.2	(224.1)

Now looking at Gains (losses) on stocks in line 29, there was a net loss of JPY 36.8 billion, due to Losses on devaluation of stocks and other securities of JPY 40.7 billion shown in line 32, mainly from domestic stocks.

<SMBC Non-consolidated>

(Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2009	Change	Sep. 30, 2008
Gains (losses) on stocks	29	(36.8)	(19.6)	(17.2)
Gains on sale of stocks and other securities	30	4.2	(1.2)	5.4
Losses on sale of stocks and other securities	31	(0.3)	0.3	(0.6)
Losses on devaluation of stocks and other securities	32	(40.7)	(18.7)	(22.0)

These items added up to Ordinary profit of JPY 147.1 billion, a JPY 25.0 billion increase year over year, as shown in line 34.

Also, Income taxes-deferred based on tax effect accounting, as shown in line 41, decreased Net income by JPY 10.8 billion, due mainly to recorded Income before income taxes.

As a result, shown in line 42, Net income increased by JPY 32.2 billion year over year to JPY 112.6 billion.

<SMBC Non-consolidated>

(Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2009	Change	Sep. 30, 2008
Ordinary profit	34	147.1	25.0	122.1
Income taxes-current	40	(21.7)	(14.5)	(7.2)
Income taxes-deferred	41	(10.8)	22.5	(33.3)
Net income	42	112.6	32.2	80.4

<SMFG Consolidated Financial Results>

On the next page, we show SMFG's consolidated financial results.

Due mainly to the increase in SMBC's non-consolidated Ordinary profit and Net income as explained above, SMFG's consolidated Ordinary profit shown in line 16 increased by JPY 31.3 billion year over year to JPY 222.2 billion, and Net income shown in line 24 increased by JPY 40.3 billion year over year to JPY 123.5 billion.

<SMFG Consolidated>

(Billions of yen)

		Six months ended		Six months ended
		Sep. 30, 2009	Change	Sep. 30, 2008
Consolidated gross profit	1	1,066.0	(2.1)	1,068.1
General and administrative expenses	7	(533.0)	6.0	(539.0)
Credit costs	8	(269.0)	34.0	(303.0)
Gains (losses) on stocks	13	(8.9)	10.9	(19.8)
Equity in earnings (losses) of affiliates	14	(20.0)	(13.9)	(6.1)
Other income (expenses)	15	(12.8)	(3.6)	(9.2)
Ordinary profit	16	222.2	31.3	190.9
Net income	24	123.5	40.3	83.2
Total credit cost	25	(268.5)	33.6	(302.1)

<Unrealized Gains (Losses) on Securities>

Next, let us explain Unrealized gains (losses) on securities on page 4.

Figures on SMBC's non-consolidated Unrealized gains (losses) on securities are shown in the middle of the page. In the table, Net unrealized gains on Other securities in total was JPY 563.6 billion, which was composed of JPY 496.0 billion of Net unrealized gains on Stocks, JPY 55.5 billion on Bonds and JPY 12.1 billion on Others, respectively.

<SMBC Non-consolidated>		(Billions of yen)			
		Sep. 30, 2009			
		Net unrealized gains (losses)			
		Change from Mar. 31, 2009	Gains	Losses	
Other securities	563.6	606.4	756.1	(192.5)	
Stocks	496.0	512.6	626.8	(130.8)	
Bonds	55.5	56.8	56.0	(0.5)	
Others	12.1	37.0	73.3	(61.2)	

<BIS Capital Ratio>

On page 7, we show SMFG's consolidated BIS capital ratio.

The preliminary figure on SMFG's consolidated BIS capital ratio as of September 30, 2009 was 13.13%.

The BIS capital ratio increased by 1.66% compared with March 31, 2009, due mainly to an increase in Tier I capital through public offering of common equity in June 2009.

<SMFG Consolidated>		(%)		
		Sep. 30, 2009	Mar. 31, 2009	
		[Preliminary]	Change	
Capital ratio		13.13	1.66	11.47
Tier I ratio		9.55	1.33	8.22

<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 on the left bottom of the table was JPY 1,241.9 billion, a JPY 47.7 billion increase compared with March 31, 2009.

A ratio of Problem assets to Total claims including Normal assets remained at a low level of 1.90%, even with an increase of 0.12% compared with March 31, 2009.

<SMBC Non-consolidated>		(Billions of yen, %)		
	Sep. 30, 2009	Change from Mar. 31, 2009	Mar. 31, 2009	
Bankrupt and quasi-bankrupt assets	289.0	(30.6)	319.6	
Doubtful assets	767.2	88.9	678.3	
Substandard loans	185.7	(10.6)	196.3	
Total (A)	1,241.9	47.7	1,194.2	
Normal assets	64,242.2	(1,786.3)	66,028.5	
Total (B)	65,484.1	(1,738.6)	67,222.7	
Problem asset ratio (A/B)	1.90%	0.12%	1.78%	

< Earnings Forecast for FY3/2010>

Next, we will explain the earnings forecast for FY3/2010 on page 20.

First, please look at dividends per share forecast.

We forecast annual dividends per common share for FY3/2010 to be JPY 90, the same amount as the dividend forecast announced in May 2009 (hereinafter referred to as “previous forecast”), since we expect no significant changes in SMFG’s consolidated full-year financial results as described below.

<SMFG Non-consolidated>		(Yen)		
Dividend per share forecast				
	FY3/2010		FY3/2009	
	Interim	Annual (Forecast)	Annual Result	
Common stock	45	90	90	

(Reference)		(Billions of yen)		
Total dividend planned	51.0	102.0	81.2	

Dividend per preferred share will be paid as originally set in the previous forecast.

As shown on the top, we expect non-consolidated performance of SMFG, the holding company, will become lower than the previous forecast and revised a part of figures as follows:

Operating income: JPY 130.0 billion
Operating profit: JPY 115.0 billion
Ordinary profit: JPY 95.0 billion
Net income: JPY 80.0 billion.

Next, we forecast SMFG's consolidated earnings for FY3/2010 as shown in the middle of the page. We expect earnings of certain subsidiaries and affiliates to be lower than the previous forecast despite SMBC's earnings to be higher than the previous forecast as explained below. Therefore, we revised the figures as follows:

Ordinary profit: JPY 490.0 billion, JPY 20.0 billion lower than the previous forecast
Net income: JPY 220.0 billion, the same as the previous forecast.

On the bottom, we show SMBC's non-consolidated earnings forecast. We expect that Total credit cost for FY3/2010 will be lower than the previous forecast because the actual result of Total credit cost for 1st Half, FY3/2010 was lower than the previous forecast. Accordingly, we revised SMBC's non-consolidated forecast as follows:

Banking profit: JPY 750.0 billion, the same as the previous forecast
Ordinary profit: JPY 330.0 billion, JPY 20.0 billion higher than the previous forecast
Net income: JPY 200.0 billion, JPY 20.0 billion higher than the previous forecast
Total credit cost: JPY 340.0 billion, JPY 40.0 billion lower than the previous forecast.

< Management policy in FY3/2010 and Business Performance of 1st Half >

Please look at page 21, which shows our management policy and strategic initiatives in FY3/2010 on the top of the page, and overview of business performance of 1st Half, FY3/2010 and progress of strategic initiatives on the bottom.

As shown on the top, we have designated FY3/2010 as a year for “establishing the next foundation for future growth, while continuing to strengthen business consistent with our philosophy of ‘Follow the Basics.’” SMFG is maintaining stringent control on expenses, credit costs, and risk-adjusted assets, while taking the necessary actions for medium-/long-term growth: realizing a solid financial base as a global player and fortifying targeted growth business areas.

Consequently, as shown on the bottom, SMFG’s consolidated Net income of 1st Half, FY3/2010 was JPY 123.5 billion, JPY 33.5 higher than the previous forecast. This is mainly due to SMBC’s higher-than-expected Gross banking profit and lower-than-expected Total credit cost, achieved by stringent control on expenses, credit costs, and risk-adjusted assets.

Also, to enhance our capital base, both in terms of quality and quantity, we successfully completed the largest-ever common equity offering among Japanese financial institutions in July, while continuing to strengthen targeted growth business areas through making Nikko Cordial Securities a wholly-owned subsidiary of SMBC on October 1st. Going forward, by positioning Nikko Cordial Securities at the center of the SMFG Group’s securities business strategy, we plan to create a new leading financial services group which combines customer base, stability and reliability of a commercial bank with the highly-sophisticated securities expertise of Nikko Cordial Securities.

In 2nd Half, FY3/2010, we expect that the uncertain business environment continues; however, we will continuously strengthen business consistent with our philosophy of ‘Follow the Basics’ and steadily take actions to realize sustainable growth.

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

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