Sumitomo Mitsui Financial Group, Inc.

Major Questions and Answers on the Financial Results for the Six Months ended September 30, 2009.

The followings are frequently asked questions and their answers on the financial results for the Six Months ended September 30, 2009, announced on November 13, 2009.
For overview of the financial results, please refer to the announcement posted on our web-site at
www.smfg.co.jp/english/investor/financial/latest_statement/h2109press_pdf/h2109_e3_01.pdf

1. Financial Results for 1st Half, FY3/2010

Q1. What was the reason why Total credit cost on SMBC non-consolidated basis was below May 09 forecast?

A1. Total credit cost on SMBC non-consolidated basis in 1st Half, FY3/2010 was JPY156.9 billion, approx. JPY73.0 billion lower than May 09 forecast.
Major factors of the differences between the actual results and May 09 forecast were positive effect of Japanese government's economy-boosting measure including the emergency credit guarantee program through credit guarantee corporations, detailed-responses to our clients and the decline in deterioration through the improvement of credits in overseas markets.

2. Earnings Forecasts

Q2. Please explain SMBC's non-consolidated Banking profit* forecast for FY3/2010 with regard to changes from the results in FY3/2009.
** Banking profit before provision for general reserve for possible loan losses*

A2. SMBC's non-consolidated Banking profit for FY3/2010 is forecasted to decrease by approx. JPY 70 billion year over year to JPY 750 billion. Gross banking profit for FY3/2010 is forecasted to decrease by approx. JPY 80 billion year over year to JPY 1,445 billion, mainly due to changes in the surrounding environment and the underlying assumption such as (a) policy interest rate cuts by the BOJ in October and

December 2008, resulting in a decrease in profits from liquidity deposits,
(b) establishment of a SMBC's wholly-owned Chinese subsidiary and transference of SMBC's branches and sub-branches in China to the newly established subsidiary, and
(c) the appreciation of JPY to USD on an exchange rate assumption for FY3/2010 (JPY per USD=90), compared with the actual rate on March 31, 2009 (JPY per USD=98.23), while striving to secure the same level of profits from Marketing Units as recorded in FY3/2009.
Meanwhile, Expenses are planed to be decreased by JPY 6.5 billion year over year to JPY 695 billion in FY3/2010, followed by more stringent control on expenses, such as controlling and reviewing business promotion expenses and reducing ordinary expenses. We'll sustain overhead ratio of less than 50% on SMBC non-consolidated basis.

Q3. What is the reason why Net income forecast on SMFG consolidated basis for FY3/2010 is unchanged while that on SMBC non-consolidated basis is revised upward?

A3. SMBC's non-consolidated Net income is expected to increase by JPY 20.0 billion compared with May 09 forecast, mainly due to the expected decrease in Total credit cost by JPY 40.0 billion following the actual results of this first half. On the other hand, SMFG's consolidated Net income forecast for FY3/2010 is at the same level as May 09 forecast, mainly because earnings forecast of Cedyna Financial Corporation, SMFG's equity method affiliate, is below its May 09 forecast by JPY 18.0 billion which is calculated from Cedyna Financial's earnings forecast for FY3/2010 released on November 13, 2009, under SMFG's interest.

Q4. Please explain the gains on sales of shares of Sanyo Electric Co., Ltd.

A4. Gains on sales of shares of Sanyo Electric Co., Ltd. is expected to be approx. JPY35.0 billion in 3Q, FY03/2010 on SMBC non-consolidated basis. On contribution to SMFG consolidated basis, Net income is expected to be approx. JPY60.0 billion, which is combinations of gains on sales of shares in SMBC non-consolidated basis and 40% of gains on sales of shares in Daiwa Securities SMBC Principal Investments Co., Ltd., a fully-owned subsidiary of Daiwa Securities SMBC Co., Ltd., a 40%-owned affiliate of SMFG.

3. Others

Q5. Please explain SMBC's collaboration with Nikko Cordial Securities Inc.

A5. SMFG brought Nikko Cordial Securities into a member of its group companies (the "SMFG Group") as a wholly-owned subsidiary of SMBC on October 1, 2009.

In the domestic retail business, the balance of financial assets under account are increasing. For instance, sales of collaborative investment trust products by SMBC and Nikko Cordial Securities started on October 1, 2009, attracted our customers, because they were shaped according to the economic environment and our customers' needs. In particular, the bond-type investment trust product recorded the highest level of sales figures among the investment trust products this year. In the wholesale business, both debt and equity underwriting business and bond trading business has been performing well.

Q6. Please explain Core Tier I ratio on SMFG consolidated basis as of September 30, 2009.

A6. Although we acknowledge that the definition of "Core Tier I" is still unclear, as of September 30, 2009, SMFG's consolidated Core Tier I ratio, which is based on the consolidated Tier I less preferred stocks and preferred securities, was 5.9% and SMFG's consolidated Core Tier I ratio, which is based on the consolidated Tier I less preferred stocks, preferred securities and net deferred tax asset, was 4.7%.