

Stock Options

1. Amount of stock options to be expensed in the fiscal year

General and administrative expenses ¥15 million

2. Outline of stock options and changes

(1) SMFG

(a) Outline of stock options

Date of resolution	June 27, 2002
Title and number of grantees	Directors and employees of SMFG and SMBC 677
Number of stock options *	Common shares 162,000
Grant date	August 30, 2002
Condition for vesting	N.A.
Requisite service period	N.A.
Exercise period	June 28, 2004 to June 27, 2012

* "Number of stock options" is reported in consideration of the 100-for-1 stock split implemented on January 4, 2009.

(b) Stock options granted and changes

Number of stock options

Date of resolution	June 27, 2002
Before vested	
Previous fiscal year-end	—
Granted	—
Forfeited	—
Vested	—
Outstanding	—
After vested	
Previous fiscal year-end *	108,100
Vested	—
Exercised	—
Forfeited	—
Exercisable	108,100

* Number of stock as of the previous fiscal year-end is reported in consideration of the stock split implemented on January 4, 2009.

Price information (Yen)

Date of resolution	June 27, 2002
Exercise price	¥ 6,649
Average exercise price	—
Fair value at the grant date	—

(2) A consolidated subsidiary, Kansai Urban Banking Corporation

(a) Outline of stock options

Date of resolution	June 28, 2001	June 27, 2002	June 27, 2003	June 29, 2004
Title and number of grantees	Directors and employees 45	Directors and employees 44	Directors and employees 65	Directors and employees 174
Number of stock options	Common shares 238,000	Common shares 234,000	Common shares 306,000	Common shares 399,000
Grant date	July 31, 2001	July 31, 2002	July 31, 2003	July 30, 2004
Condition for vesting	N.A.	N.A.	N.A.	N.A.
Requisite service period	N.A.	N.A.	N.A.	N.A.
Exercise period	June 29, 2003 to June 28, 2011	June 28, 2004 to June 27, 2012	June 28, 2005 to June 27, 2013	June 30, 2006 to June 29, 2014
Date of resolution	June 29, 2005	June 29, 2006	June 29, 2006	June 28, 2007
Title and number of grantees	Directors and employees 183	Directors 9	Officers not doubling as directors 14, Employees 46	Directors 10
Number of stock options	Common shares 464,000	Common shares 162,000	Common shares 115,000	Common shares 174,000
Grant date	July 29, 2005	July 31, 2006	July 31, 2006	July 31, 2007
Condition for vesting	N.A.	N.A.	N.A.	N.A.
Requisite service period	N.A.	N.A.	N.A.	N.A.
Exercise period	June 30, 2007 to June 29, 2015	June 30, 2008 to June 29, 2016	June 30, 2008 to June 29, 2016	June 29, 2009 to June 28, 2017

Date of resolution	June 28, 2007	June 27, 2008	June 26, 2009
Title and number of grantees	Officers not doubling as directors 14, Employees 48	Directors 9, Officers not doubling as directors 16, Employees 45	Directors 11, Officers not doubling as directors 14, Employees 57
Number of stock options	Common shares 112,000	Common shares 289,000	Common shares 350,000
Grant date	July 31, 2007	July 31, 2008	July 31, 2009
Condition for vesting	N.A.	N.A.	N.A.
Requisite service period	N.A.	N.A.	N.A.
Exercise period	June 29, 2009 to June 28, 2017	June 28, 2010 to June 27, 2018	June 27, 2011 to June 26, 2019

(b) Stock options granted and changes

Number of stock options

Date of resolution	June 28, 2001	June 27, 2002	June 27, 2003	June 29, 2004
Before vested				
Previous fiscal year-end	–	–	–	–
Granted	–	–	–	–
Forfeited	–	–	–	–
Vested	–	–	–	–
Outstanding	–	–	–	–
After vested				
Previous fiscal year-end	112,000	158,000	228,000	329,000
Vested	–	–	–	–
Exercised	8,000	20,000	6,000	–
Forfeited	–	–	–	4,000
Exercisable	104,000	138,000	222,000	325,000

Date of resolution	June 29, 2005	June 29, 2006	June 29, 2006	June 28, 2007
Before vested				
Previous fiscal year-end	–	–	–	174,000
Granted	–	–	–	–
Forfeited	–	–	–	–
Vested	–	–	–	174,000
Outstanding	–	–	–	–
After vested				
Previous fiscal year-end	451,000	162,000	115,000	–
Vested	–	–	–	174,000
Exercised	–	–	–	–
Forfeited	–	–	–	–
Exercisable	451,000	162,000	115,000	174,000

Date of resolution	June 28, 2007	June 27, 2008	June 26, 2009
Before vested			
Previous fiscal year-end	112,000	289,000	–
Granted	–	–	350,000
Forfeited	–	–	–
Vested	112,000	–	–
Outstanding	–	289,000	350,000
After vested			
Previous fiscal year-end	–	–	–
Vested	112,000	–	–
Exercised	–	–	–
Forfeited	–	–	–
Exercisable	112,000	–	–

Price information

(Yen)

Date of resolution	June 28, 2001	June 27, 2002	June 27, 2003	June 29, 2004
Exercise price	¥ 155	¥ 131	¥ 179	¥ 202
Average exercise price	200	163	200	—
Fair value at the grant date	—	—	—	—

Date of resolution	June 29, 2005	June 29, 2006	June 29, 2006	June 28, 2007
Exercise price	¥ 313	¥ 490	¥ 490	¥ 461
Average exercise price	—	—	—	—
Fair value at the grant date	—	138	138	96

Date of resolution	June 28, 2007	June 27, 2008	June 26, 2009
Exercise price	¥ 461	¥ 302	¥ 193
Average exercise price	—	—	—
Fair value at the grant date	96	37	51

(c) Valuation technique used for valuating fair value of stock options

Stock options granted in the fiscal year were valuated using the following valuation technique.

(i) Valuation technique: Black-Scholes option-pricing model

(ii) Principal parameters used in the option-pricing model

Date of resolution	June 26, 2009
Expected volatility (*1)	49.10%
Average expected life (*2)	5 years
Expected dividends (*3)	¥3 per share
Risk-free interest rate (*4)	0.70%

(*) 1. Calculated based on the actual stock prices during the five years from June 2004 to June 2009.

2. The average expected life could not be estimated rationally due to insufficient amount of data.

Therefore, it was estimated assuming that the options were exercised at the mid point of the exercise period.

3. Expected dividends are based on the actual dividends on common stock for the fiscal year ended March 31, 2009.

4. Japanese government bond yield corresponding to the average expected life.

(d) Method of estimating number of stock options vested

Only the actual number of forfeited stock options is reflected because it is difficult to rationally estimate the actual number of stock options that will be forfeited in the future.