

Overview of FY3/2011 Results and Summary of New Medium-term Management Plan



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Sumitomo Mitsui Financial Group, Inc.
May 13, 2011

Overview of Business Performance of FY3/2011 and Progress of Strategic Initiatives

SMFG's Consolidated net income in FY3/2011 increased by JPY 204.3 billion year over year, due mainly to favorable performance of SMBC and contribution of other group companies. We have fortified our overseas operation through expanding channel network and reinforcing our organization. At the same time, we have enhanced cross-sell between SMBC and SMBC Nikko Securities*¹, while strengthening Nikko's wholesale business. In addition, in order to accelerate "development of our business as a global player," we listed on NYSE in November, 2010.

Securing a resilient capital base

Favorable performance

Banking profit*² SMBC non-consolidated

Substantially increased YOY change +JPY 63.1 bn **JPY 832.6 bn**

Overhead ratio SMBC non-consolidated

Decreased YOY change (1.5)% **45.6%**

Total credit cost SMBC non-consolidated

Substantially decreased YOY change: decreased by JPY 160.4 bn **JPY (94.3) bn**

Net income SMFG consolidated

Substantially increased YOY change +JPY 204.3 bn **JPY 475.9 bn**

Tier I ratio (preliminary) SMFG consolidated

Increased Compared with Mar. 2010 +1.32% **12.47%**

Listed on NYSE (Nov. 2010)

Reinforcing business portfolio to achieve sustainable growth

Overseas business especially in Asia

Enhanced SMBC's overseas channel centered on China and organization

- ✓ Enhanced framework to support customers in a globally integrated manner
- ✓ Opened 4 channels and received approval to open 3 channels
- ✓ Integrated investment banking functions in Asia

Capital/business alliances with leading banks in each market

- ✓ Kotak Mahindra Bank (India)
- ✓ Banco de Bogota (Colombia)
- ✓ RHB Bank (Malaysia)

Wholesale / Retail Securities Business (SMBC Nikko Securities)

Enhanced cross-selling with SMBC

- ✓ Private banking: Commenced joint business with SMBC and Barclays
- ✓ Started bank agency services
- ✓ Integrated SMBC Friend's collaborative business with SMBC

Strengthened equity-related business

- ✓ Commenced operations of new equity trading system
- ✓ Established Equity Research Division

Named as a primary dealer of JGB

Fortified overseas operation

- ✓ London, NY, HK, Shanghai

Made Cedyna a consolidated subsidiary (May 2010), and a wholly-owned subsidiary (May 2011)

(Reference) Summary of FY3/2011 Results

P/L

		FY3/11	YOY change
(JPY bn)			
SMBC <non-consolidated>	Gross banking profit	1,531.8	+76.5
	Expenses	(699.2)	Increased by 13.4
	<OHR>	45.6%	Decreased by 1.5%
	Banking profit*1	832.6	+63.1
	Total credit cost*2	(94.3)	Decreased by 160.4
	Gains (losses) on stocks	(87.3)	(91.2)
	Ordinary profit	595.7	+133.0
	Net income	421.2	+103.2
SMFG <consolidated>	Ordinary profit	825.4	+266.7
	Net income	475.9	+204.3

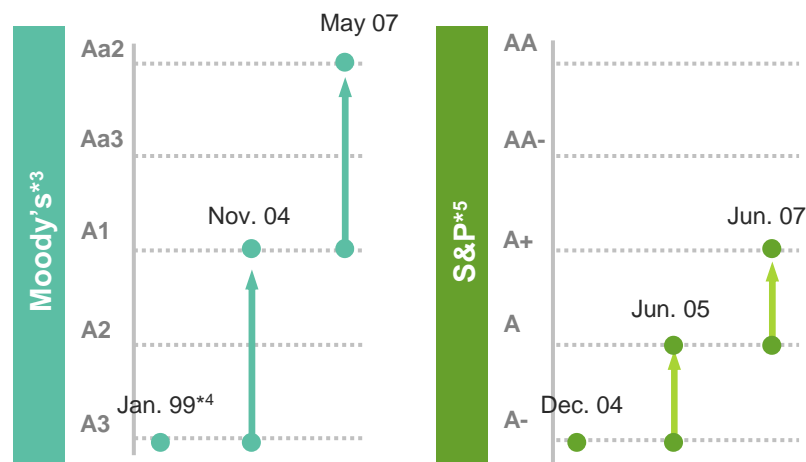
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Capital/Tier I ratio (preliminary)

		Mar. 31, 11	Change from Mar 31. 10
SMFG <consolidated>	Capital ratio	16.63%	+1.61%
	Tier I ratio	12.47%	+1.32%

Ref.

Credit ratings (SMBC)



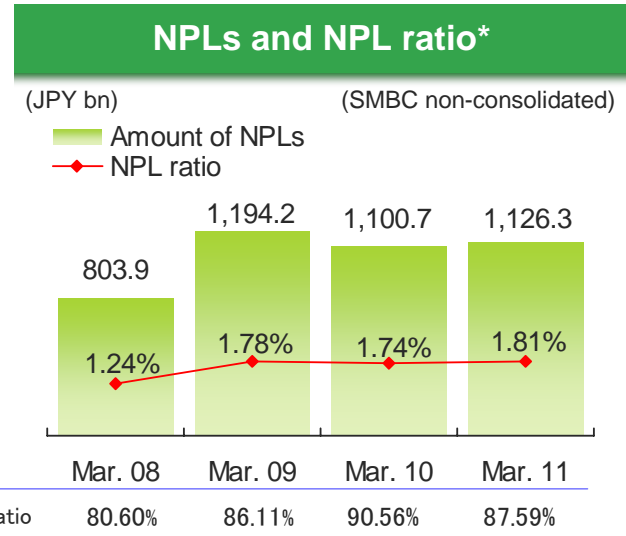
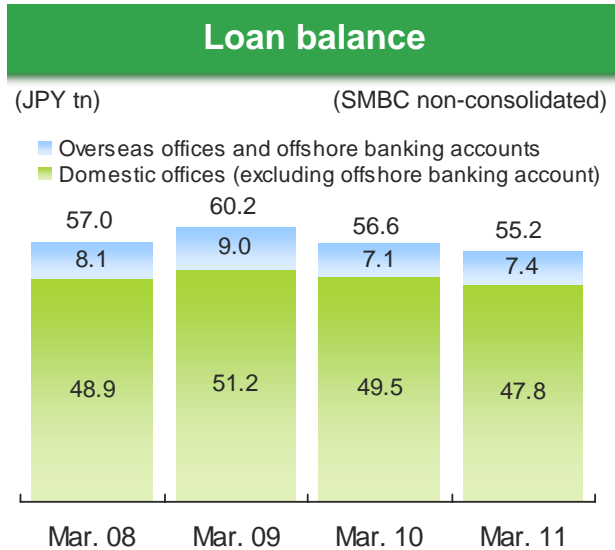
*1 Before provision for general reserve for possible loan losses

*2 Including portion recorded in Extraordinary gains (losses)

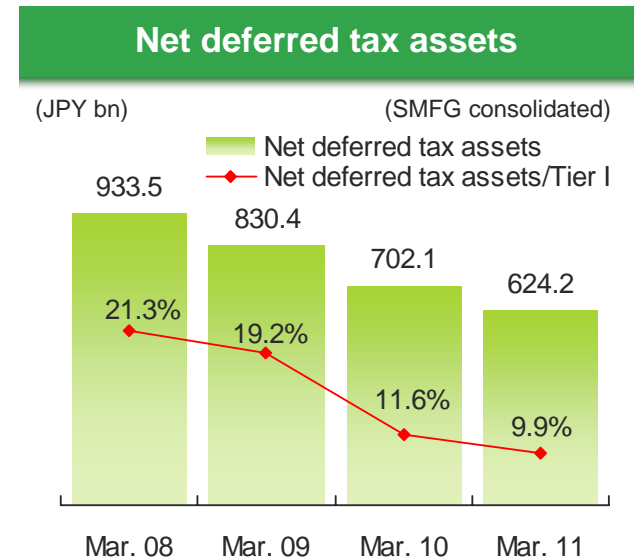
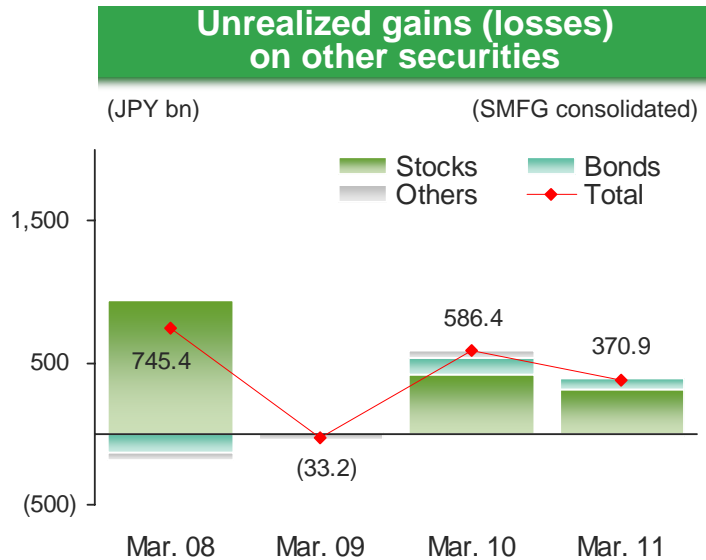
*3 Issuer rating *4 Long term local currency issuer credit rating of Sumitomo Bank

*5 Long term local currency issuer credit rating

(Reference) FY3/2011 B/S-related Items



* NPL ratio = NPLs based on the Financial Reconstruction Law (excluding normal assets) / Total claims



Summary of New Medium-term Management Plan

Basic policy

Become a globally competitive financial services group with the highest trust of our clients and other stakeholders by maximizing our strength of “Spirit of innovation,” “Speed” and “Solution & Execution.”

Corporate slogan:
LEAD THE VALUE

Management plan for coming three years

Strongly support Japan’s reconstruction on the financial front

New Medium-term Management Plan (FY3/12–FY3/14)

Management targets

- ✓ Aim for top quality in strategic business areas
- ✓ Establish a solid financial base and corporate infrastructure enough to address the new financial regulations and competitive environment

Financial objectives

- Well-balanced and steady improvement of “financial soundness,” “profitability” and “growth”
- Achieve sufficient Core Tier I ratio as required for a global player
 - Enhance risk-return profile by improving asset quality
 - Aim for top-level cost efficiency among global players
 - Expand overseas business by capturing growing business opportunities especially in Asia

Key initiatives to achieve management and financial targets

Strategic initiatives

Strategic business areas

- Financial Consulting for Individuals
- Solution Providing for Corporations
- Commercial Banking in Emerging Markets, especially in Asia
- Broker-Dealer/ Investment Banking
- Non-asset Business such as Payment & Settlement Services and Asset Management

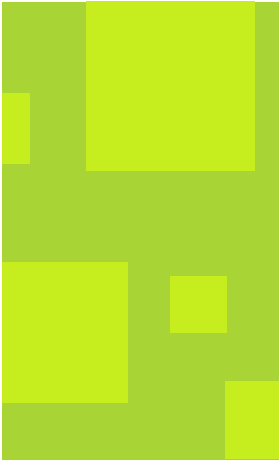

FY3/14 targets

Core Tier I ratio	approx. 8%
Consolidated net income RORA	approx. 0.8%
Consolidated overhead ratio	50-55%
Overhead ratio	40-45%
Overseas banking profit ratio	approx. 30%



Corporate base

- Strengthen group-wide management capabilities
- Strengthen a corporate infrastructure to support our global expansion
- Pursue efficient operation



This material contains “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995), regarding the intent, belief or current expectations of us and our managements with respect to our future financial condition and results of operations. In many cases but not all, these statements contain words such as “anticipate”, “estimate”, “expect”, “intend”, “may”, “plan”, “probability”, “risk”, “project”, “should”, “seek”, “target” and similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those expressed in or implied by such forward-looking statements contained or deemed to be contained herein. The risks and uncertainties which may affect future performance include the fragility of any economic recovery, both globally and in Japan; our ability to successfully implement its business and capital strategy; the success of our business alliances including those in the consumer finance industry; exposure to new risks as we expand the scope of our business; significant credit-related costs; declines in the value of our securities portfolio. Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this material. We undertake no obligation to update or revise any forward-looking statements.

Please refer to our most recent disclosure documents such as our annual report or the registration statement on Form 20-F filed with the U.S. Securities and Exchange Commission, as well as our earnings press release for a more detailed description of the risks and uncertainties that may affect our financial conditions, our operating results, and investors’ decisions.



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