Figures in the charts are round numbers. Figures in parenthesis indicate loss or decrease.

May 13, 2011

Announcement of Financial Results for Fiscal Year 3/2011

We would now like to explain our financial results for FY3/2011 and the medium-term management plan, by using *Financial Results for the Fiscal Year ended March 31, 2011*, *Financial Results for Fiscal Year 3/2011 Supplementary Information* and *Announcement of New Medium-term Management Plan.*

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 earnings results.

In line 22, Banking profit before provision for general reserve for possible loan losses was JPY 832.6 billion, a JPY 63.1 billion increase year over year.

Gross banking profit, shown in line 1, was JPY 1,531.8 billion, a JPY 76.5 billion increase year over year.

This increase was due mainly to (a) an increase in Gains on bonds as a result of our ALM operations that quickly responded to the decline in market interest rates, and (b) an increase in loan related fees in International Banking Unit, partially offset by decrease in Net interest income due to tightened loan to deposit spread associated with declined interest rate in the domestic market.

Expenses, shown in line 18, was JPY 699.2 billion, a JPY 13.4 billion increase year over year. This was due mainly to proactive allocation of resources into focused business areas, for the purpose of strengthening our business through increasing staff in overseas, while reexamining and reducing ordinary expenses.

<SMBC Non-consolidated> (Billions of yen)

		FY3/2011	Change	FY3/2010
Gross banking profit	1	1,531.8	76.5	1,455.3
Expenses (excluding non-recurring losses)	18	(699.2)	(13.4)	(685.8)
Banking profit (before provision for general reserve for possible loan losses)	22	832.6	63.1	769.5
Gains (losses) on bonds	26	147.1	109.8	37.3

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

Total credit cost, calculated by adding Credit costs in line 28, Provision for general reserve for possible loan losses in line 24 and Recoveries of written-off claims in line 38, was JPY 94.3 billion, a JPY 160.4 billion decrease year over year, as shown in line 43.

This decrease was as a result of our individualized efforts to assist certain debtors to improve their businesses and financial conditions, as well as reversal of provision for reserve by loan repayment.

<SMBC Non-consolidated> (Billions of yen)

		FY3/2011	Change	FY3/2010
Provision for general reserve for possible loan losses	24	12.3	3.3	9.0
Non-recurring gains (losses)	27	(249.2)	66.6	(315.8)
Credit costs	28	(107.7)	156.1	(263.8)
Extraordinary gains (losses)	35	(6.9)	1.1	(8.0)
Recoveries of written-off claims	38	1.1	1.0	0.1
Total credit cost (24+28+38)	43	(94.3)	160.4	(254.7)

Gains (losses) on stocks, shown in line 29, was a net loss of JPY 87.3 billion, due mainly to JPY 107.4 billion of Losses on devaluation of stocks and other securities shown in line 32, mainly from domestic stocks.

<SMBC Non-consolidated> (Billions of yen)

		FY3/2011	Change	FY3/2010
Gains (losses) on stocks	29	(87.3)	(91.2)	3.9
Gains on sale of stocks and other securities	30	21.7	(35.0)	56.7
Losses on sale of stocks and other securities	31	(1.6)	(0.7)	(0.9)
Losses on devaluation of stocks and other securities	32	(107.4)	(55.5)	(51.9)

These items added up to Ordinary profit of JPY 595.7 billion, a JPY 133.0 billion increase year over year, as shown in line 34.

Also, Income taxes-deferred, as shown in line 41, decreased Net income by JPY 125.3 billion.

As a result, as shown in line 42, Net income increased by JPY 103.2 billion year over year, to JPY 421.2 billion.

<SMBC Non-consolidated> (Billions of yen)

		FY3/2011		FY3/2010
			Change	
Ordinary profit	34	595.7	133.0	462.7
Extraordinary gains (losses)	35	(6.9)	1.1	(8.0)
Income before income taxes	39	588.8	134.1	454.7
Income taxes-current	40	(42.3)	2.7	(45.0)
Income taxes-deferred	41	(125.3)	(33.6)	(91.7)
Net income (loss)	42	421.2	103.2	318.0

<SMFG Consolidated Financial Results>

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

In addition to the increase in SMBC's non-consolidated Ordinary profit and Net income as explained above, improvement of business performance in Kansai Urban Banking Corporation and Cedyna contributed to an increase in SMFG's consolidated Ordinary profit shown in line 16 by JPY 266.7 billion year over year to JPY 825.4 billion, and Net income shown in line 25 by JPY 204.3 billion year over year to JPY 475.9 billion.

<SMFG Consolidated> (Billions of yen)

		FY3/2011		FY3/2010
			Change	
Consolidated gross profit	1	2,504.7	268.1	2,236.6
General and administrative expenses	7	(1,355.3)	(194.0)	(1,161.3)
Credit costs	8	(220.2)	253.7	(473.9)
Gains (losses) on stocks	13	(91.9)	(81.8)	(10.1)
Equity in earnings (losses) of affiliates	14	(13.3)	8.2	(21.5)
Other income (expenses)	15	1.4	12.4	(11.0)
Ordinary profit	16	825.4	266.7	558.8
Net income (loss)	25	475.9	204.3	271.6

Total credit cost	26	(217.3)	255.7	(473.0)

<Unrealized Gains (Losses) on Securities>

Next, let us look at page 4 for Unrealized gains (losses) on securities.

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

In the table, Net unrealized gains on Other securities in total was JPY 305.6 billion, which was composed of JPY 275.5 billion of Net unrealized gains on Stocks, JPY 71.9 billion of Net unrealized gains on Bonds and JPY 41.8 billion of Net unrealized losses on Others, respectively.

<SMBC Non-consolidated> (Billions of yen)

	Mar. 31, 2011			
	Net unrealized gains (losses)	Change from Mar. 31, 2010	Gains	Losses
Other securities	305.6	(215.8)	662.0	(356.4)
Stocks	275.5	(96.0)	468.6	(193.1)
Bonds	71.9	(44.2)	99.9	(28.0)
Others	(41.8)	(75.6)	93.5	(135.3)

<BIS Capital Ratio>

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

As of March 31, 2011 on SMFG consolidated basis, BIS capital ratio was 16.63 %, and Tier I ratio was 12.47 %.

Compared with March 31, 2010, BIS capital ratio increased by 1.61 % and Tier I ratio increased by 1.32 %, due mainly to recorded Net income.

<SMFG Consolidated> (%)

	Mar. 31, 2011 [Preliminary]	Change	Mar. 31, 2010
Capital ratio	16.63	1.61	15.02
Tier I ratio	12.47	1.32	11.15

<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, shown on the bottom left of the table, was JPY 1,126.3 billion, a JPY 25.6 billion increase compared with March 31, 2010.

As a result, a ratio of Problem assets to Total claims including Normal assets increased by 0.07% compared with March 31, 2010, however, still remained at a low level of 1.81%.

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

	Mar. 31, 2011 (a)	(a) - (b)	Mar. 31, 2010 (b)
Bankrupt and quasi-bankrupt assets	138.5	(85.8)	224.3
Doubtful assets	684.8	(12.9)	697.7
Substandard loans	303.0	124.3	178.7
Total (A)	1,126.3	25.6	1,100.7
Normal assets	61,025.8	(1,090.2)	62,116.0
Total (B)	62,152.1	(1,064.6)	63,216.7
Problem asset ratio (A/B)	1.81%	0.07%	1.74%

< Earnings Forecast for FY3/2012>

Let us now explain the earnings forecast for FY3/2012 on page 20.

As shown on the top, non-consolidated earnings forecast of SMFG, the holding company, is as follows:

Operating income:	JPY 180 billion
Operating profit:	JPY 160 billion
Ordinary profit:	JPY 150 billion
Net income:	JPY 150 billion.

Next, we will explain forecast for cash dividends per share below.

We forecast annual cash dividends per common share for FY3/2012 to be JPY 100, the same amount of those for FY3/2011, and the half of which will be paid as an interim dividend.

Next, we forecast SMFG's consolidated earnings forecast for FY3/2012 as shown in the middle of the page:

Ordinary profit:	JPY 840 billion
Net income:	JPY 400 billion.

We forecast SMBC's non-consolidated earnings for FY3/2012 as follows:

Banking profit:	JPY 750 billion
Ordinary profit:	JPY 600 billion
Net income:	JPY 350 billion
Total credit cost:	JPY 100 billion.

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

Please look at page 21, which shows management policy and business performance in FY3/2011 on the top and summary of the medium-term management plan that we announced today at the bottom.

As for the business performance in FY3/2011, Net income on SMFG consolidated basis substantially increased year over year to JPY 475.9 billion. This was mainly due to a 1.5% decrease in overhead ratio, an increase in Banking profit and a decrease in Total credit cost on SMBC non-consolidated basis, as a result of thorough control on expenses and credit costs aiming for securing a resilient capital base as set in the management policy in FY3/2011.

We also listed on NYSE last November, for the purpose of accelerating the development of our business as a global player.

In addition, we have steadily taken steps forward to reinforce business portfolio to achieve growth, through expanding channel network centered on China, fortifying functions of SMBC Nikko Securities and making Cedyna a consolidated subsidiary.

At the bottom, we show overview of our medium-term management plan.

Under the new management, the SMFG group has launched a new medium-term management plan for the first three years of the second decade of the group, which has started its history since establishment of SMBC in 2001, in order to accomplish our basic policy to become a globally competitive financial services group with the highest trust of our clients and other stakeholders.

To start on the new medium-term management plan, first of all, the SMFG group strongly supports Japan’s reconstruction on the financial front to overcome the damage of the Great East Japan Earthquake through responding sufficiently to clients’ financial needs in a timely and effective manner.

Against the backdrop, we set two management targets. The first target is to aim for top quality in strategic business areas, and the second target is to establish a solid financial base and corporate infrastructure enough to address the new financial regulations and competitive environment.

With this in mind, the SMFG group aims to achieve well-balanced and steady improvement of “financial soundness,” “profitability,” and “growth,” and have set the following four financial objectives:

- 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, and
- Expand overseas business by capturing growing business opportunities especially in Asia.

In parallel, for next three years, we implement and execute focused business strategies in the following five designated critical business areas, establish a solid financial base and corporate infrastructure that support those strategies and maximize power of integrated organization as “Team SMFG, Team SMBC,” in order to achieve the management and financial targets:

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

“Unpredictable,” “uncertain,” and “unstable” still continue to describe the business environment surrounding the SMFG group. Despite such a challenging environment, we, the SMFG group, will move forward responding proactively and flexibly to ever-changing environment, and make effort to increase shareholders’ value to become a top-tier global financial services group by pursuing the aforementioned management targets and financial targets.

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

(END)

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.