

Major Questions and Answers on the Financial Results
for the Fiscal Year ended March 31, 2011.

The following are frequently asked questions and answers on the financial results for the Fiscal Year ended March 31, 2011, announced on May 13, 2011.

For an 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/h2303press_pdf/h2303_e3_01.pdf

1. Financial Results

Q1. What was the reason why SMBC's non-consolidated Banking profit^{*1} increased year-over-year?

**1 Banking profit before provision for general reserve for possible loan losses*

A1. SMBC's non-consolidated Banking profit for FY3/2011 was JPY 832.6 billion, an increase of JPY 63.1 billion year-over-year. This was due mainly to an increase in Gains on bonds posted by the Treasury Unit in the first half of our fiscal year, an increase in loan related fees posted by the International Banking Unit^{*2} through the allocation of assets into Asia and the Americas, and the increase in sales of investment trust by the Consumer Banking Unit^{*2}.

**2 Within the Marketing units*

Q2. Please explain the differences between SMFG's consolidated and SMBC's non-consolidated Ordinary profit and Net income for FY3/2011.

A2. The difference between SMFG's consolidated and SMBC's non-consolidated Ordinary profit was JPY 229.7 billion. The difference between SMFG's consolidated and SMBC's non-consolidated Net income was JPY 54.7 billion. The difference in Net income was mainly due to the positive performance of SMBC Nikko Securities, led by the favorable start of its wholesale business and steady progress in its retail business, and the contribution of other subsidiaries. Net income was partially offset by a loss posted by Promise which was a result of the impact of the introduction of an upper limit on aggregate borrowings and the still high level of refund claims.

2. Earnings forecasts

Q3. Please explain major factors (positive/ negative contributors) of SMFG's consolidated Net income forecast for FY3/2012.

A3. SMFG's consolidated Net income is forecasted to decrease by JPY 75.9 billion year-over-year to JPY 400 billion. This is mainly due to our forecast of a decrease in

SMBC's Net income by JPY 70 billion. This is as a result of an increase in our actual tax rate which is estimated to rise to the level of the effective tax rate. Despite a forecasted decrease in Gains on bonds, SMBC's Ordinary profit is forecasted to increase by approximately JPY 4 billion led by an improvement in Losses on the devaluation of stocks.

Q4. Please explain the economic assumptions of Earnings forecast for FY3/2012 such as the interest and exchange rates.

A4. We assume that both yen and U.S. dollar interest rates will be unchanged from March 31, 2011 to March 31, 2012. The assumption of the foreign exchange rate is 85 yen per U.S. dollar and 110 yen per Euro.

3. Medium-term Management Plan

Q5. Please explain summary of the new Medium-term Management Plan.

A5. Under the new management, the SMFG group has launched a new medium-term management plan for coming three years from FY3/2012 to FY3/2014.

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, as a leading financial institution in Japan.

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 by maximizing our strength of "Spirit of Innovation," "Speed" and "Solution & Execution," we set two management targets as follows:

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

We aim to establish a globally competitive business and corporate base by focusing on strategic business areas, managing impacts from new financial regulations and other issues.

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 (“financial soundness”),
- Enhance risk-return profile by improving asset quality (“profitability”),
- Aim for top-level cost efficiency among global players (“profitability”), and
- Expand overseas business by capturing growing business opportunities especially in Asia (“growth”).

Also, we have set the following five financial targets to be achieved by fiscal 2013:

- Core Tier I ratio ^{*3} : approx. 8%,
- Consolidated net income RORA ^{*3} : approx. 0.8%,
- Consolidated overhead ratio ^{*3} : 50%-55%,
- Overhead ratio ^{*4} : 45%-50%, and
- Overseas banking profit ratio: approx. 30%.

**3 SMFG consolidated *4 SMBC non-consolidated*

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:

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

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.

Q6. Does SMFG expect an increase in yen interest rates?

A6. We do not expect a substantial rise in yen interest rates during the three year period.

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.