

Bank of America Merrill Lynch Japan Conference 2011

LEAD THE VALUE

SMFG's Management Strategy

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Sumitomo Mitsui Financial Group, Inc.

September 13, 2011

Today's Agenda

- 1. Risk Factors Surrounding Financial Institutions**
- 2. Limited Downside Risks**
- 3. Solid Commercial Banking Franchise**
- 4. Medium-term Management Plan**
- 5. Steady Earnings Generation in 1Q, FY3/2012**

1. Risk Factors Surrounding Financial Institutions

*Business environment for financial institutions is “unpredictable,” “uncertain,” and “unstable.”
However, downside risks of SMFG are limited*

Domestic factors

Impact from
the Great East Japan Earthquake
and the Fukushima Nuclear Accident

Concerns of
electricity shortage

Uncertainty of economic recovery

JPY appreciation / USD depreciation

Decline in stock markets

Political instability

Strengthening of financial regulation

Overseas factors

Sovereign debt issues
in European countries

Slowdown of European
economy

Weakening economy in specific areas
and countries

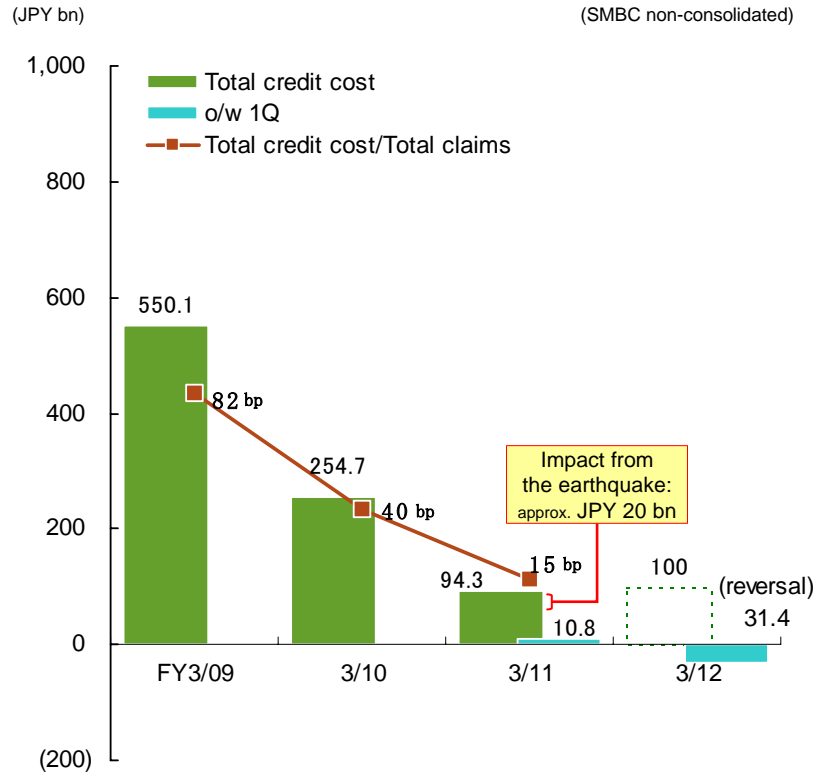
Slowdown of U.S.
economy

Various risks in emerging countries,
including inflation

2. Limited Downside Risks (1) Asset Quality

SMBC's credit costs is expected to remain at a "cruising speed," reflecting our strengthening of risk control

Total credit cost

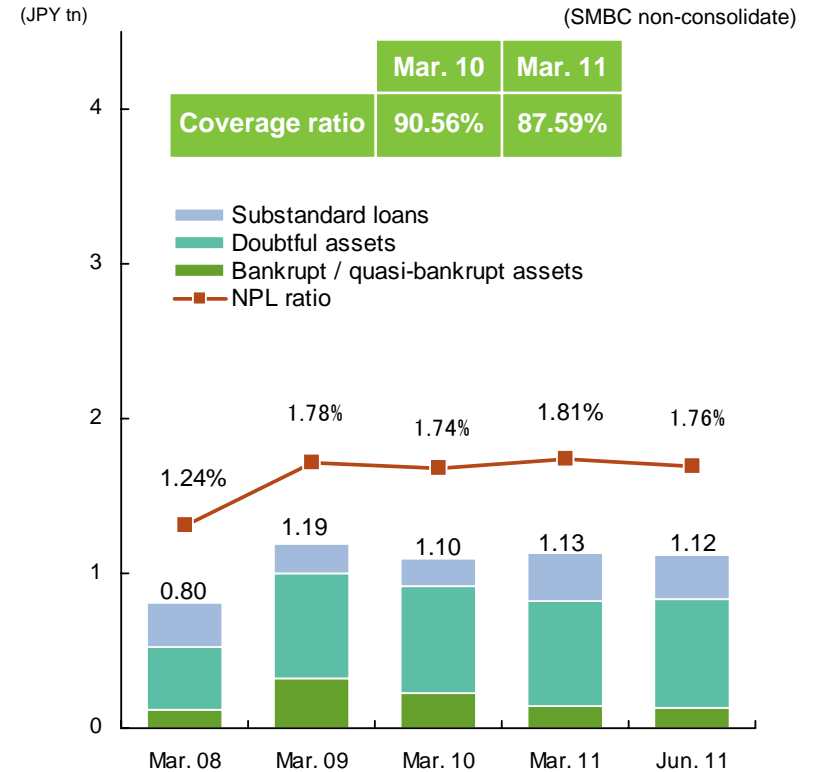


(JPY bn)

	FY3/09	3/10	3/11	3/12
Total credit cost (SMFG consolidated)	767.8	473.0	217.0	31.8 (reversal) 14.1
o/w: Group companies	217.7	218.3	123.0	21.0 17.3

Ref.

Balance of non-performing loans



(JPY tn)

	Mar. 08	Mar. 09	Mar. 10	Mar. 11	Jun. 11
Claims to borrowers requiring caution*	2.6	3.7	3.7	3.1	2.9
Total claims	65	67	63	62	64

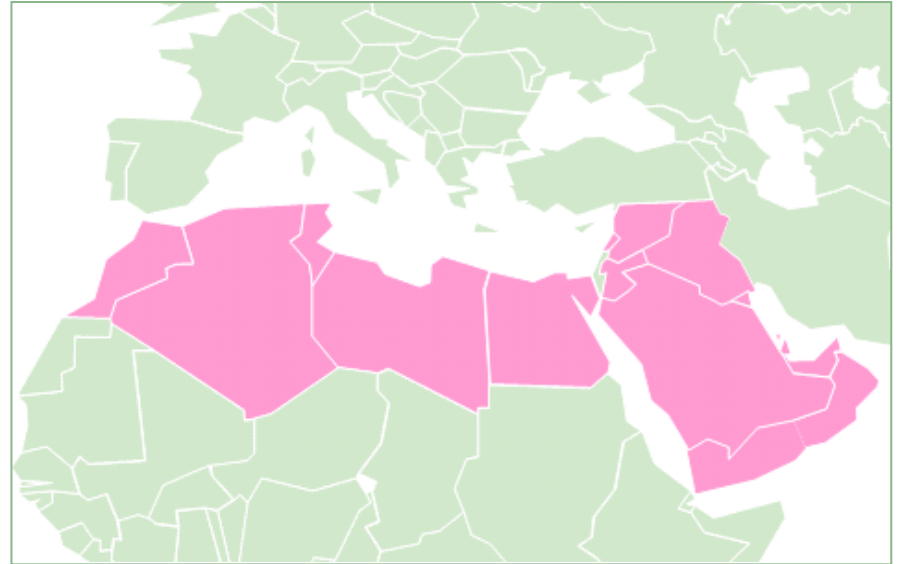
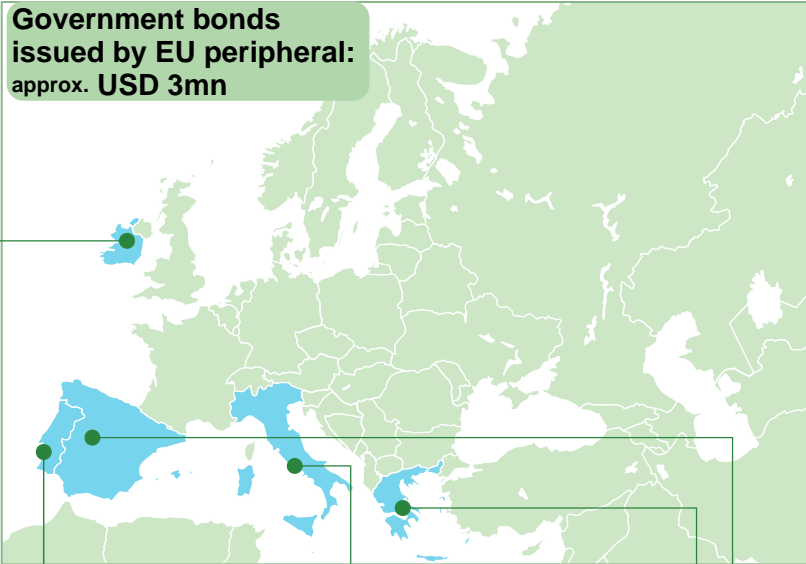
* Excluding claims to Substandard borrowers

2. Limited Downside Risks

(2) Exposure to European Peripheral and Arabic Countries*1

Our sovereign exposure in European peripheral countries is extremely small; thus, potential direct impact is minimal

Government bonds issued by EU peripheral: approx. USD 3mn



Portugal
approx. USD 0.1 bn
Majority is to banks

Italy
approx. USD 2.9 bn
To large corporations and projects finance

Spain
approx. USD 2.3 bn
To large corporations and Japanese companies, project finance

Ireland
approx. USD 0.5 bn
To large corporations and project finance

Greece
approx. USD 0.1 bn
Majority is collateralized

Arabic countries*2	approx. USD 9.3 bn
UAE*3	3.4
o/w Dubai	1.1
Qatar*4	2.4
Saudi Arabia*4	1.9
Others*5	1.5
o/w Oman	0.5
o/w Bahrain	0.4
o/w Egypt	0.3
o/w Kuwait	0.3
o/w Tunisia	0.01
o/w Libya	-

*1 As of Jun. 30, 2011 *2 The pink-colored countries

*3 Majority is to government-affiliated entities, local banks and Japanese companies

*4 Project finance *5 Trade finance and project finance

(SMFG consolidated)

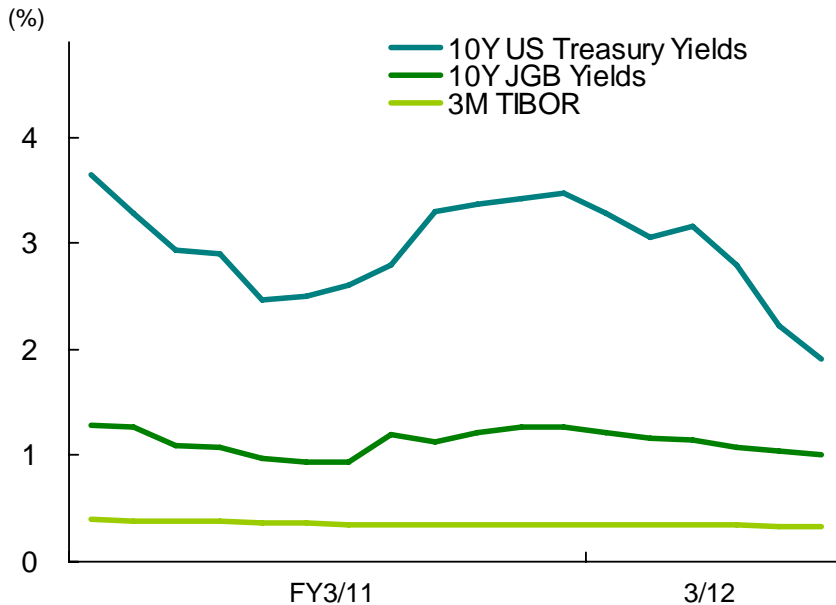
2. Limited Downside Risks (3) Bond Portfolio

We successfully realized gains on bonds by quickly responding to the decline in interest rates in both domestic and overseas markets, while controlling the degree of risks

Gains (losses) on bonds

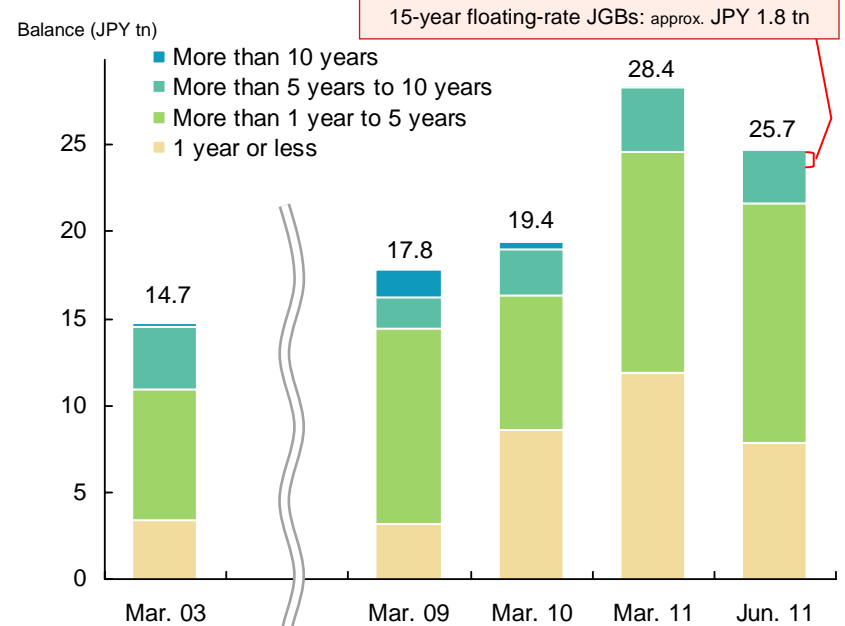
(JPY bn)	1Q	FY3/11	1Q, FY3/12	YOY change
Gains (losses) on bonds	75.2	147.1	58.2	(17.0)

Trends on market interest rates*1 (domestic and overseas market)



Yen-denominated bond portfolio

(Total balance of bonds with maturities among Other securities and bonds classified as Held-to-maturity)



Average duration (years)*2	3.5	1.8	1.1	1.4	1.7
Unrealized gains / losses (JPY bn)	108.7	(1.2)	116.1	71.9	82.3

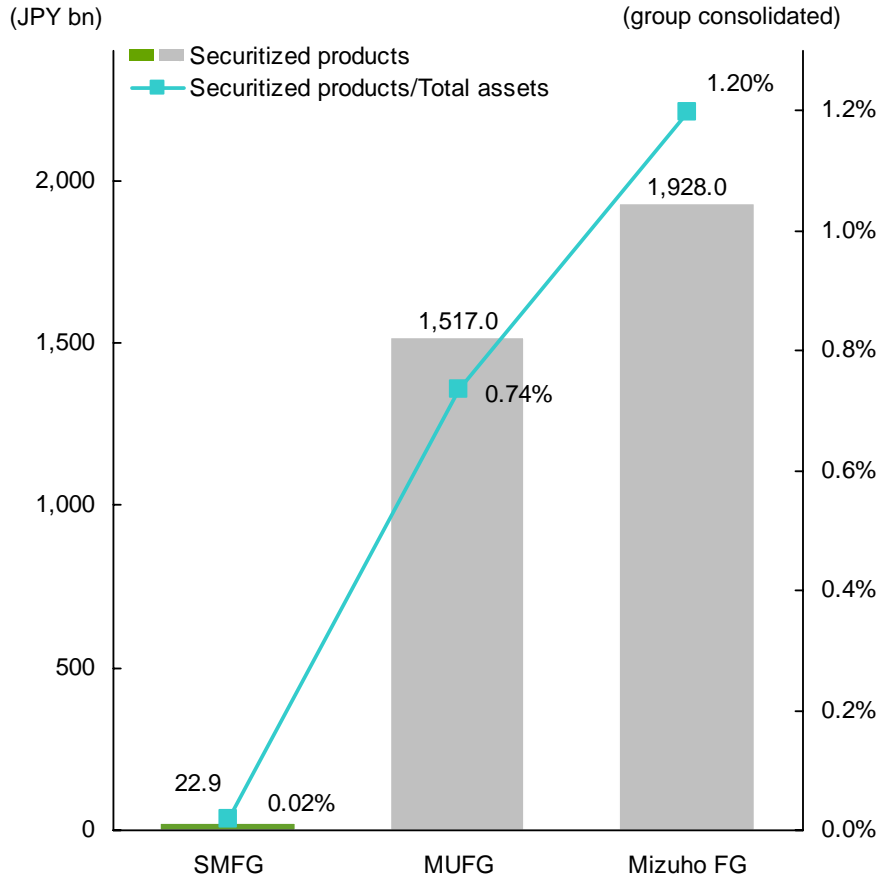
*1 Month end (the latest figure is as of Sep. 9, 11)
 *2 Excluding bonds classified as held to maturity, bonds for which hedge-accounting is applied, and private placement bonds. Duration of 15-year floating rate JGBs is calculated as zero

(SMBC non-consolidated)

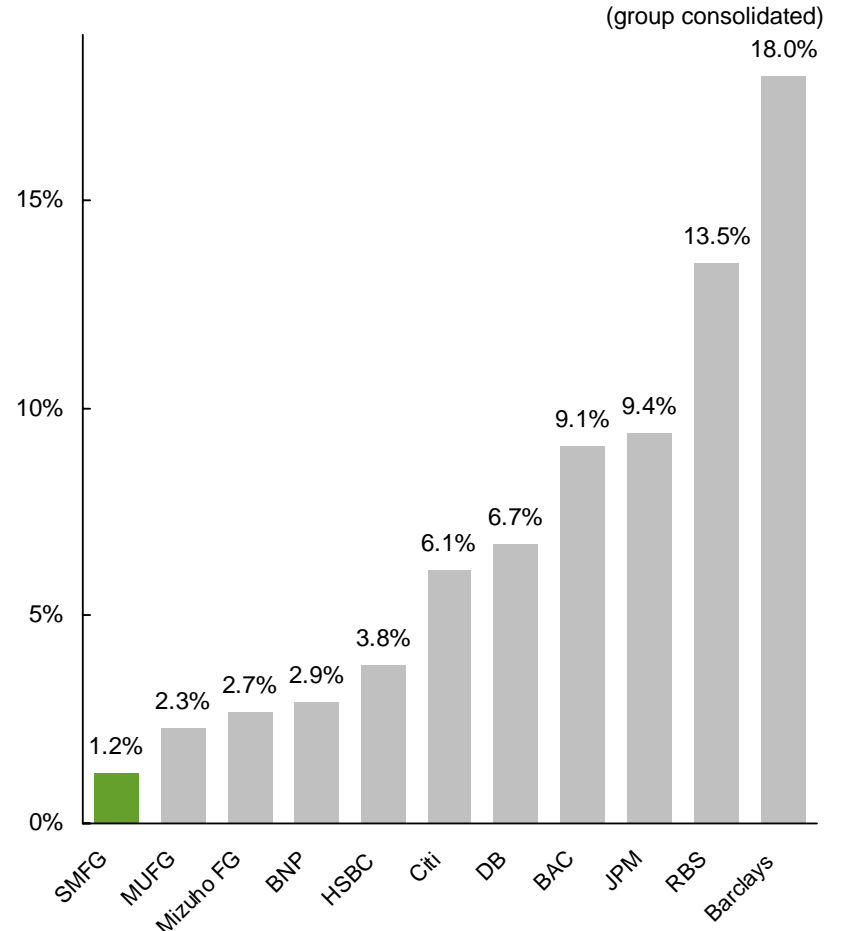
2. Limited Downside Risks (4) Securitized Products, Market risk

Our exposure to securitized products remains at extremely low level after early and substantial reduction in 1H, FY3/2008

Balance of securitized products, etc.
(peer comparison*1)



Percentage of market risk equivalent
in risk-adjusted assets (global peer comparison)*2



*1 SMFG: As of Jun. 30, 2011. After provision and write-offs

MUFG: As of Jun. 30, 2011. After impairment and before deducting net unrealized losses. Including "securities being held to maturity" and "other"

Mizuho FG: As of Mar. 31, 2011. After reserve for investment loss. Including banking accounts of subordinated banks and trading accounts of Mizuho Securities

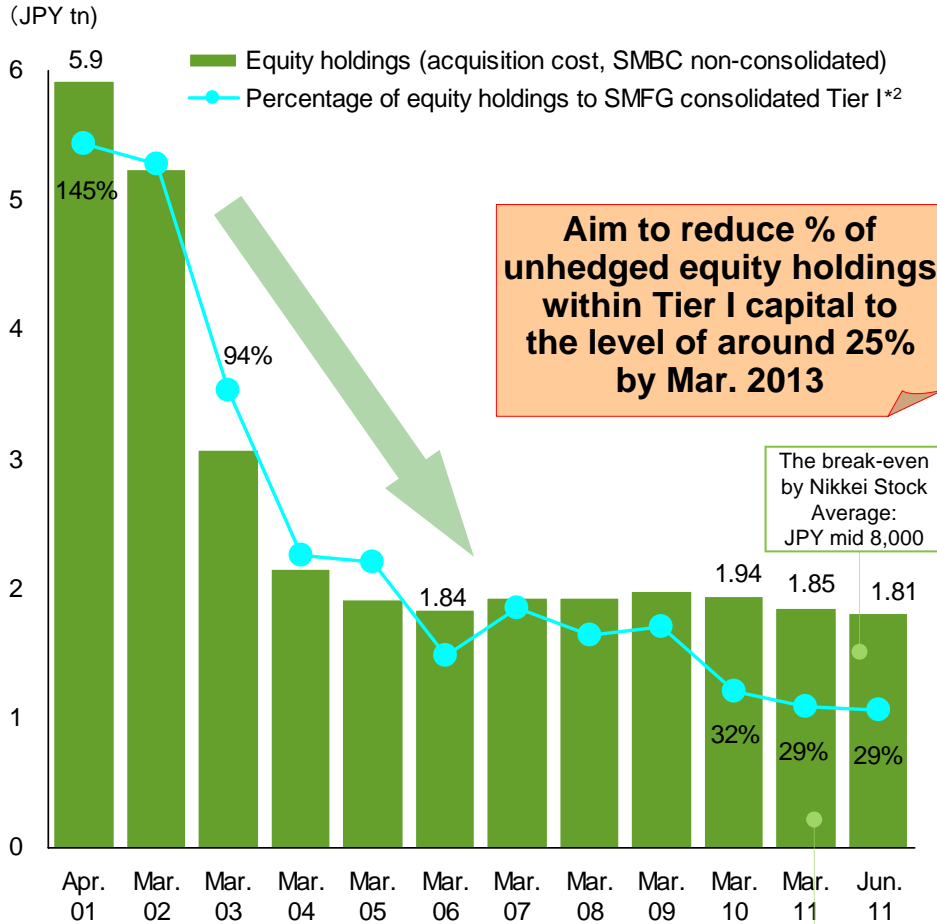
*2 Market risk equivalent X 12.5 / Total risk-adjusted assets.

Based on each company's disclosed figures (as of Mar. 31, 2011 for SMFG, MUFG, Mizuho FG; as of Dec. 31, 2010 for BNP; and as of Jun. 30, 2011 for others)

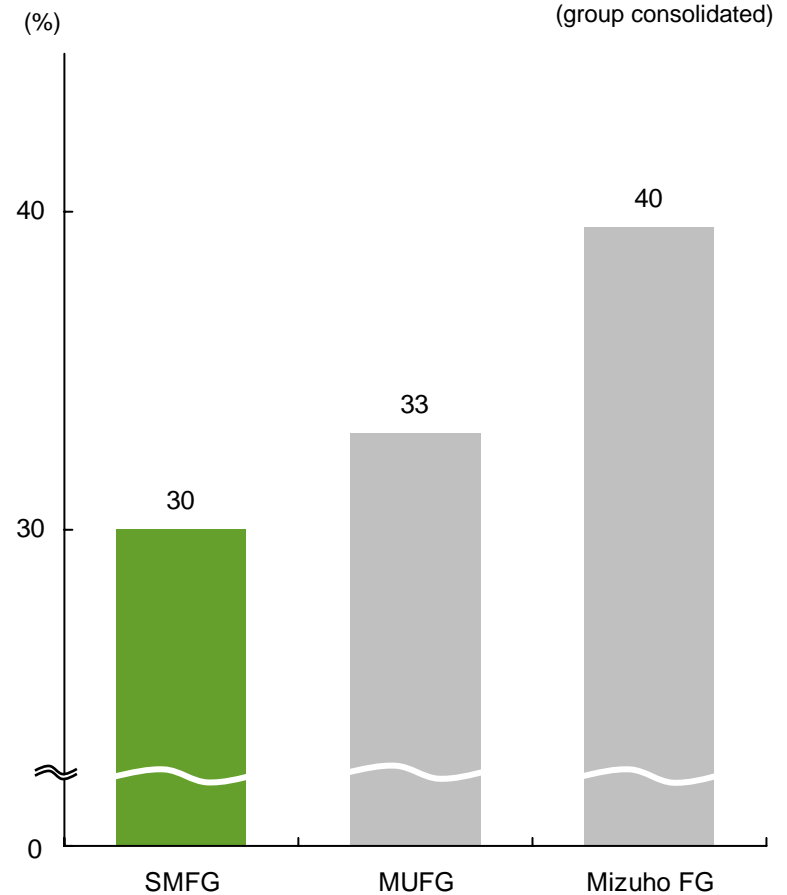
2. Limited Downside Risks (5) Equity Holdings

We will further reduce the amount of our equity holdings, while striving to obtain customer consent to unwind

Balance of equity holdings*1



Equity holdings / Tier I capital (peer comparison, as of Mar. 31, 2011)*3



*1 Balance of domestic stocks classified as other securities with fair value

*2 Until Mar. 02, percentage to SMBC consolidated Tier I

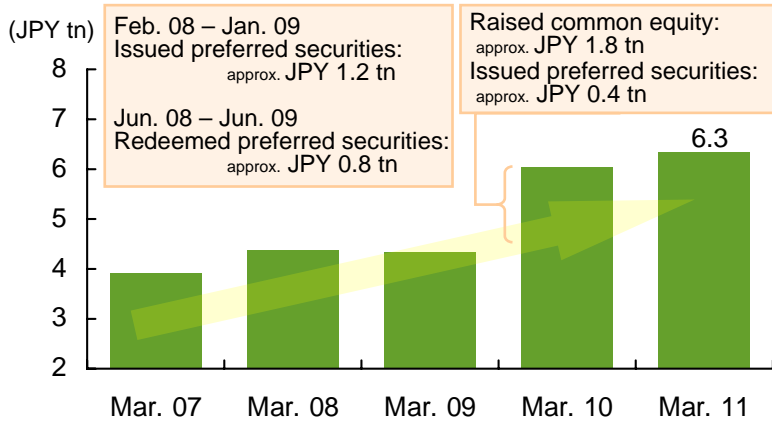
*3 Balance of domestic stocks classified as other securities / Consolidated Tier I capital. Based on each company's disclosed figures

Sold amount in FY3/11: approx. JPY 25 bn

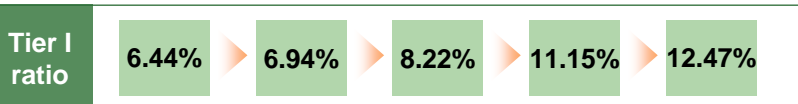
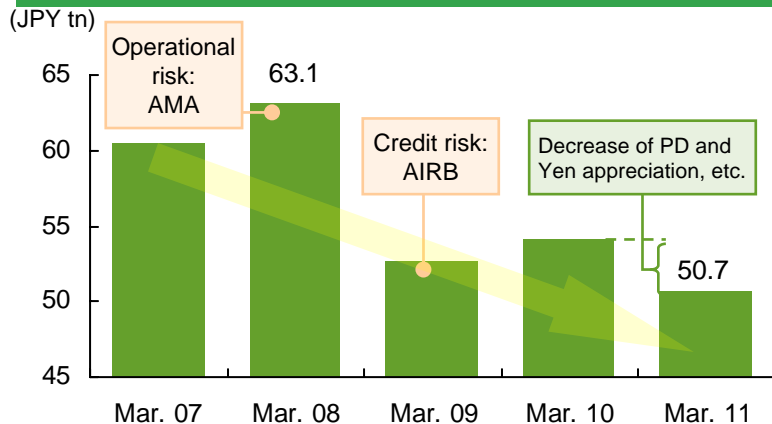
2. Limited Downside Risks (6) Capital Base

We aim to strengthen our capital base to address strengthening of global financial regulations without new capital raising through accumulation of retained earnings

Tier I capital (based on Basel II standard)



Risk-adjusted assets



Our approaches to strengthening capital requirements

Core Tier I capital*

- Secure sufficient level through steady accumulation of retained earnings

Additional Tier I capital

- The first call date of current balance of preferred securities will arrive in Jul. 2013. We do not need to refinance for a while

Tier II capital

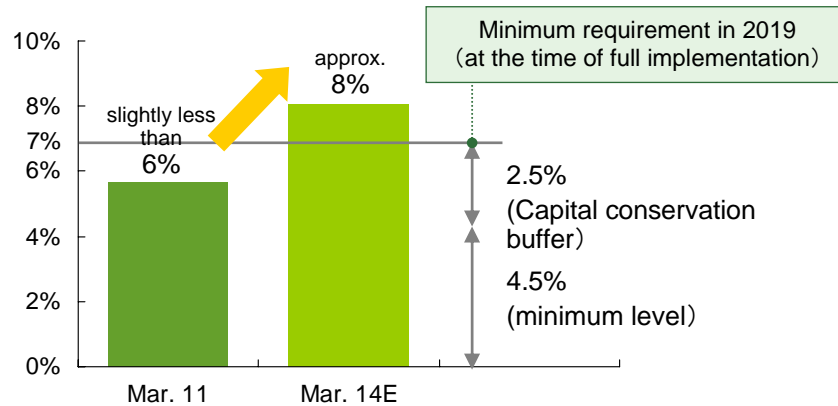
- Refinance by subordinated debts eligible for grandfathering for a while

* Common Equity Tier I based on Basel III

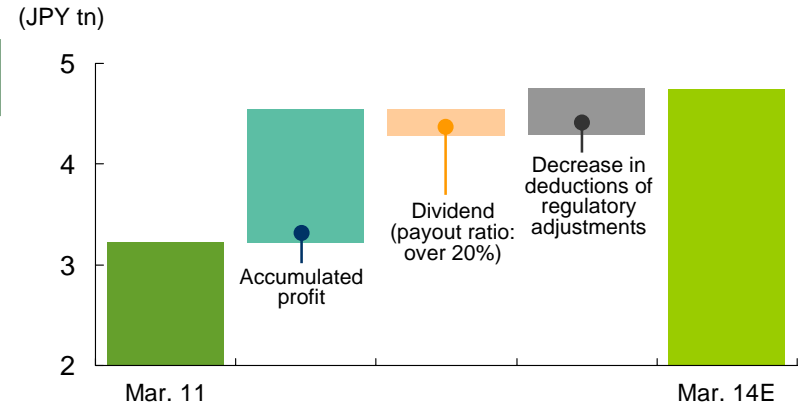
2. Limited Downside Risks (6) Capital Base

We estimate that the incremental impact of the implementation of Basel III to the risk-adjusted assets will be limited

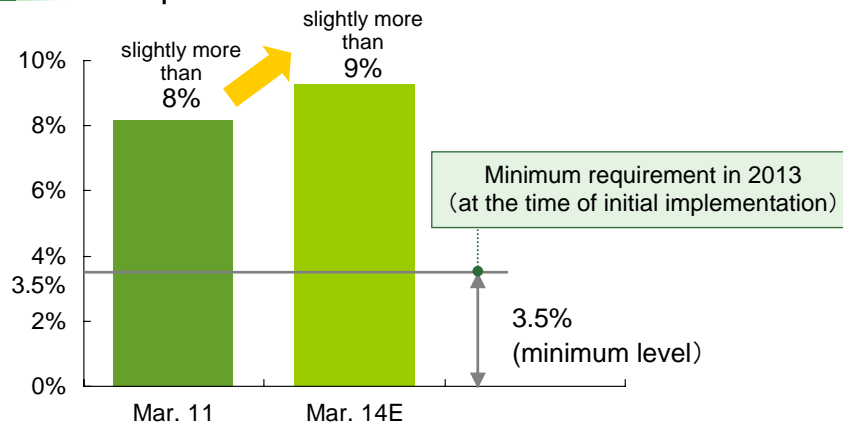
Core Tier I ratio
(based on the definition at the time of full implementation of Basel III*)



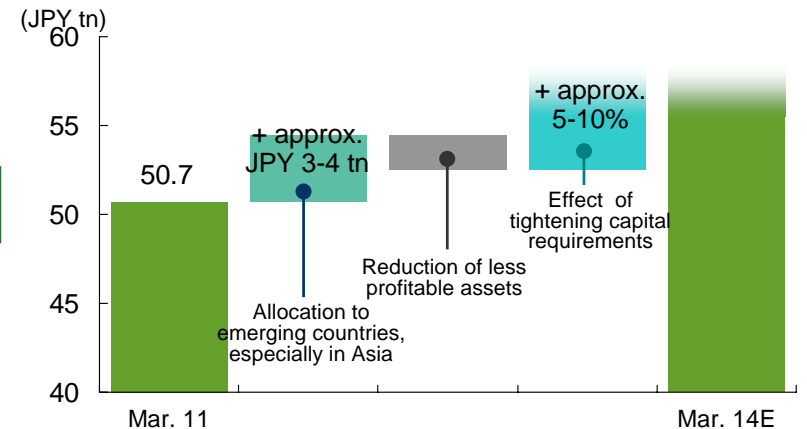
Profit accumulation
(core Tier I capital based on the definition at the time of full implementation of Basel III*)



(Ref.) Capital requirements at the time of initial implementation of Basel III



Allocation of risk-adjusted assets

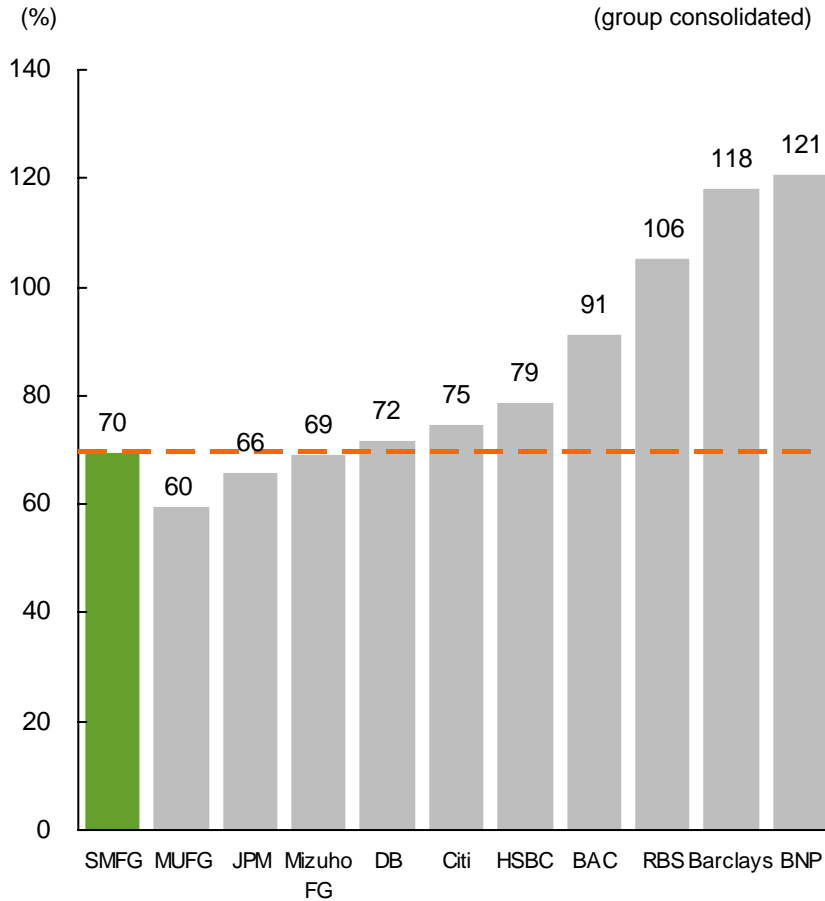


* Regulatory adjustments are fully deducted. Not including Net unrealized gains (losses) on other securities

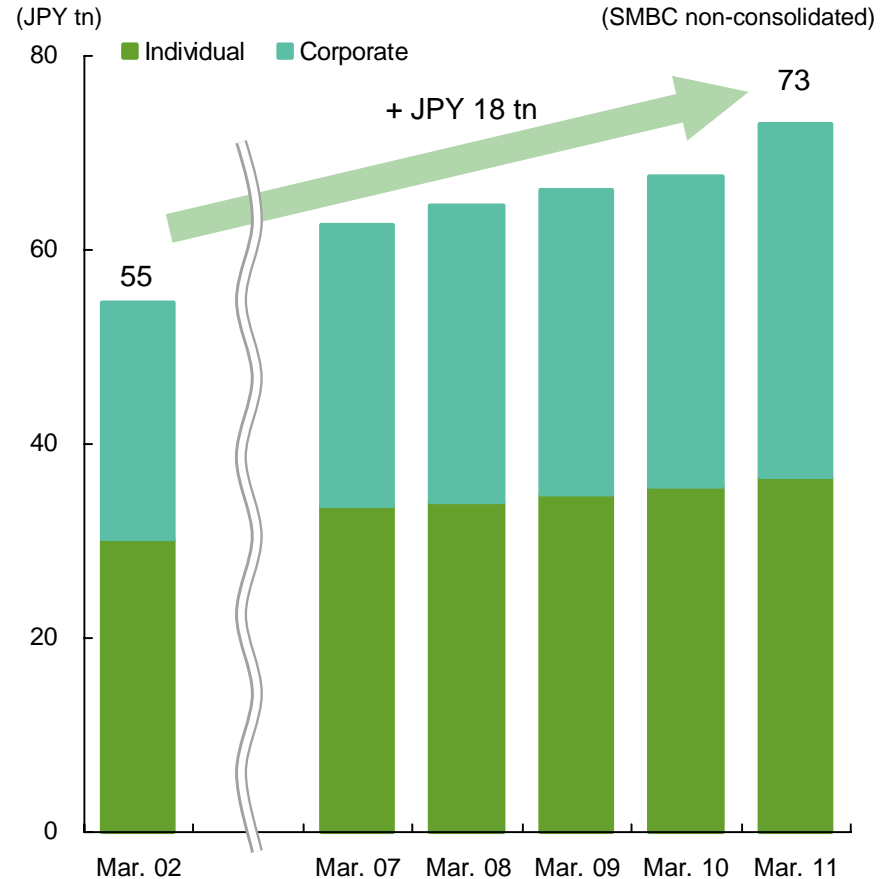
2. Limited Downside Risks (7) Liquidity

We have a competitive advantage in loan to deposit ratio vis-à-vis global peers.
 We aim to maintain prudent liquidity management in order to secure a solid investment/funding structure,
 taking into account the liquidity regulations under discussion

Loan to deposit ratio (global peer comparison*)



Deposits (domestic)

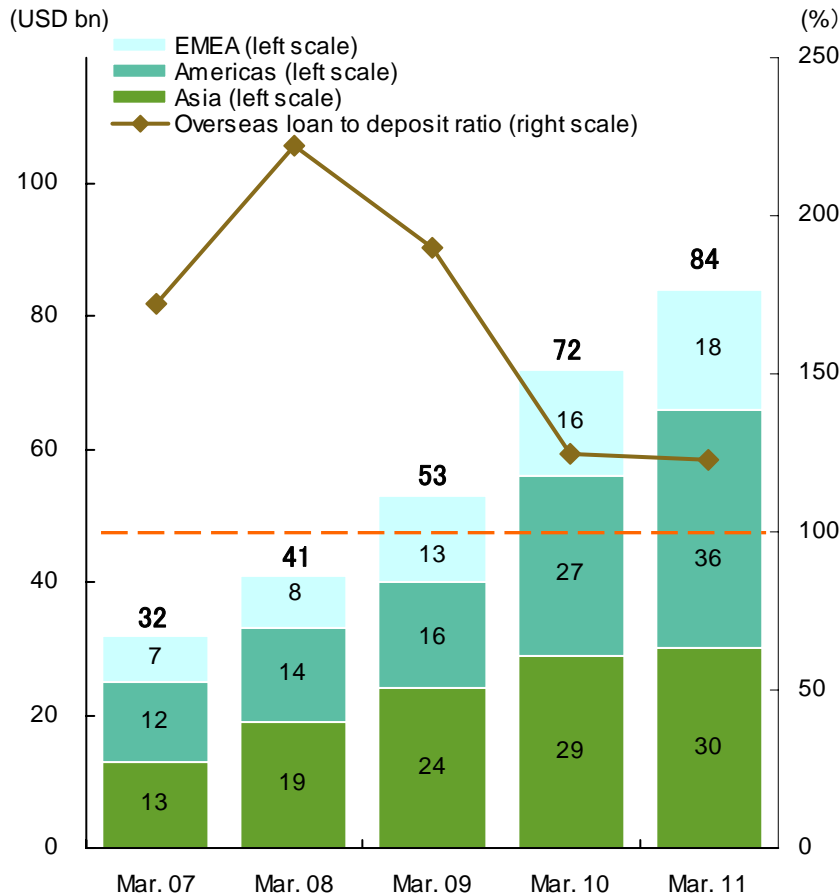


* Based on each company's disclosed figures (as of Jun. 30, 2011)

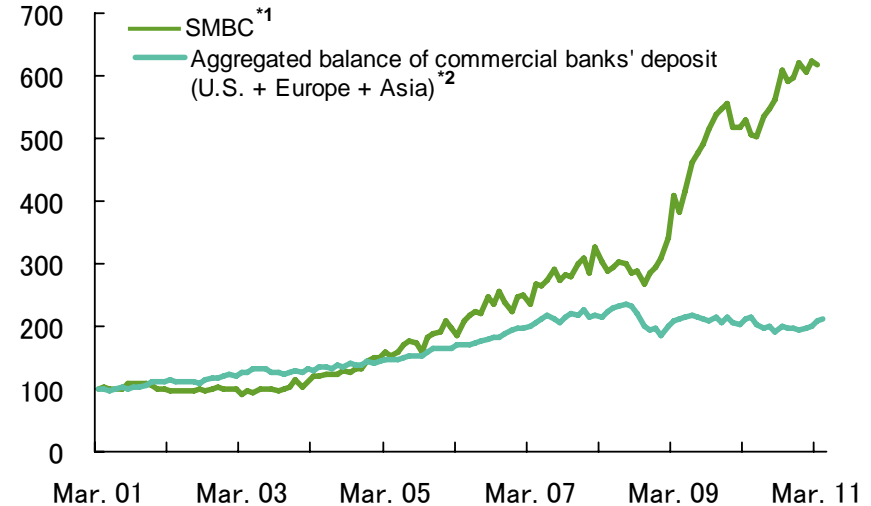
2. Limited Downside Risks (7) Liquidity

We will further expand and diversify our foreign-currency funding sources in line with our strategy to expand overseas business

Overseas deposit balance*1



Trend of overseas deposit balance (Mar. 31, 01 = 100, USD basis)



Foreign-currency funding other than deposits

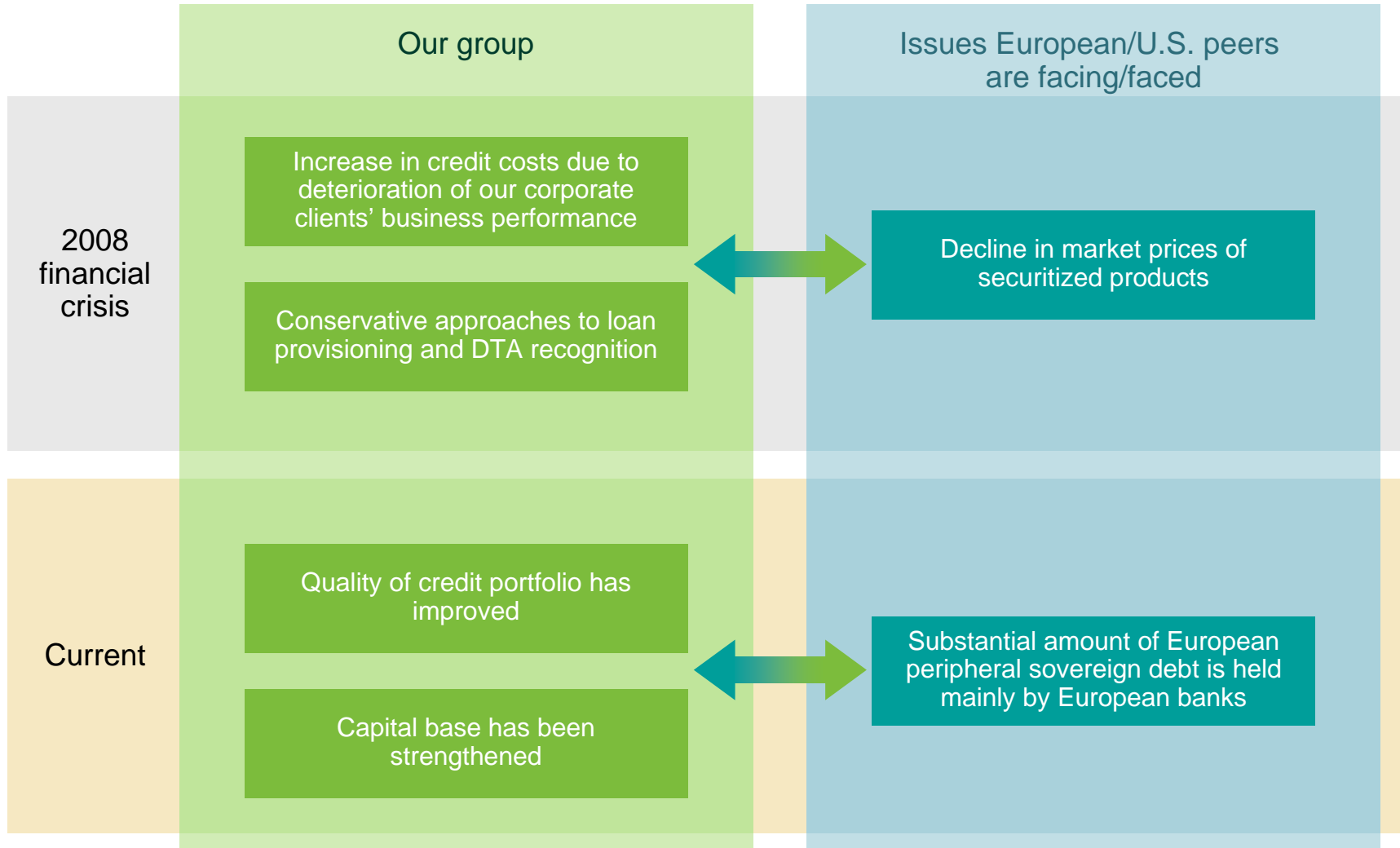
- Set up USD CP program (Nov. 2009)
- Issued foreign-currency denominated bonds
 - USD denominated senior bonds in Jul. 2010: USD 1 bn each for 3Y and 5Y bonds
 - EUR denominated subordinated bonds in Nov. 2010: EUR 750 mn for 10Y
 - USD denominated senior bonds in Jan. 2011: USD 650 mn for 3Y and USD 850 mn for 5Y
 - USD denominated senior bonds in Jul. 2011: USD 900 mn for 3Y and USD 1,100 mn for 5Y
- Issued foreign-currency denominated retail bonds in domestic market (Mar. 2010)

*1 Sum of SMBC, SMBC Europe and SMBC (China). Managerial accounting basis (based on location of our channels). JPY based loan balance is exchanged to USD at respective term-end JPY/USD rate

*2 Source: Bloomberg (based on public information of each country's central bank)
 Europe: Euro area
 Asia: China, Korea, India, Taiwan, Hong Kong, Thailand, Singapore and Indonesia

2. Limited Downside Risks (8) Comparison with 2008 Financial Crisis

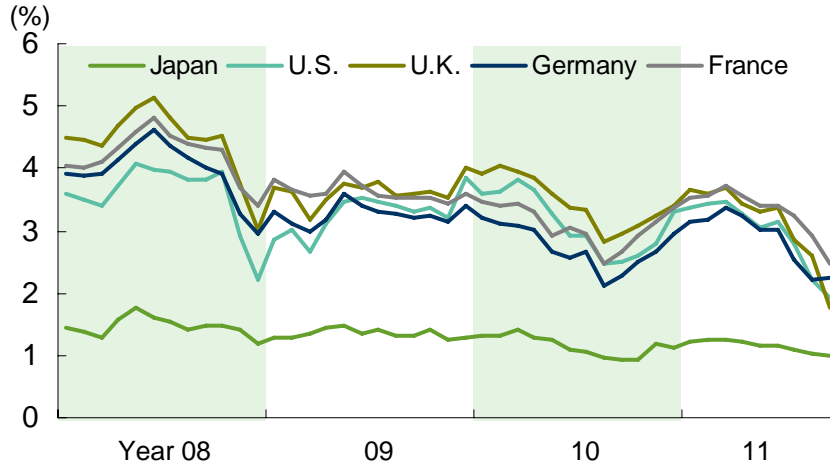
Our asset quality and capital base has improved substantially compared with those at the 2008 financial crisis



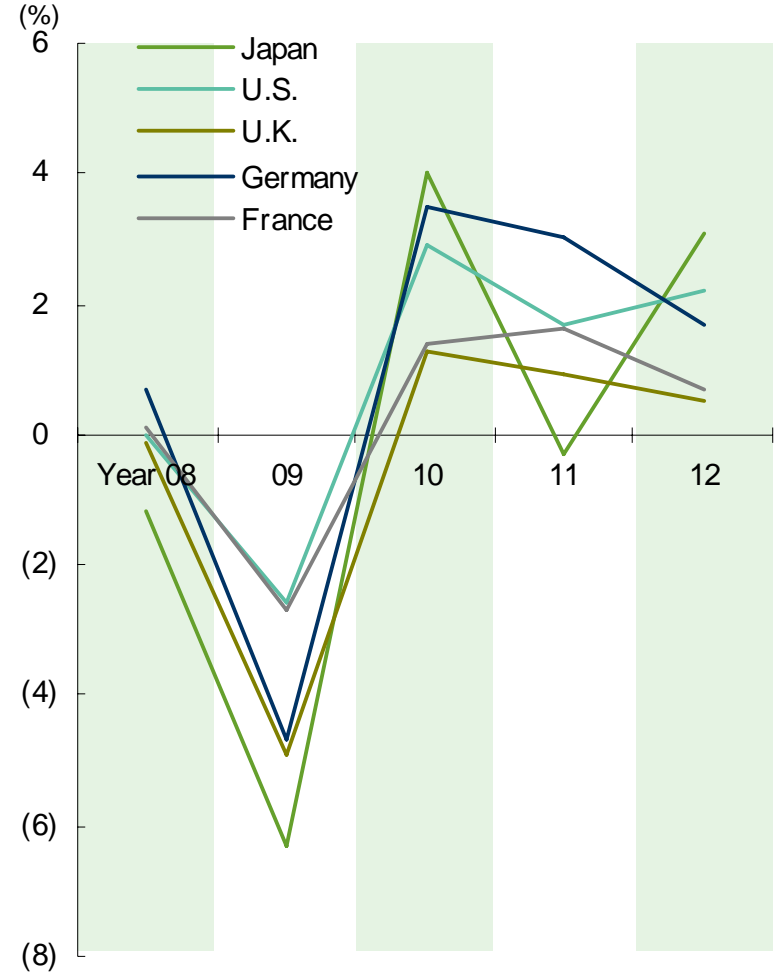
3. Solid Commercial Banking Franchise

Japanese economy has suffered from deflation and low growth over the past decade

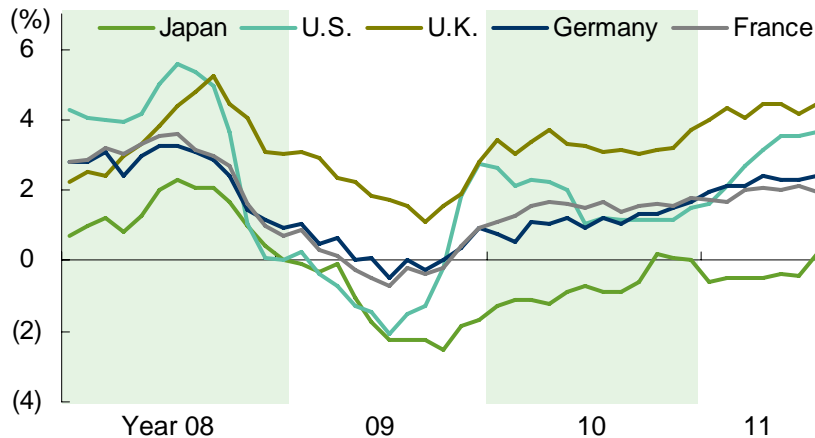
Long-term interest rate (10-year government bond yield)*1



Real GDP growth rate*3



Consumer Price Index (YOY change)*2



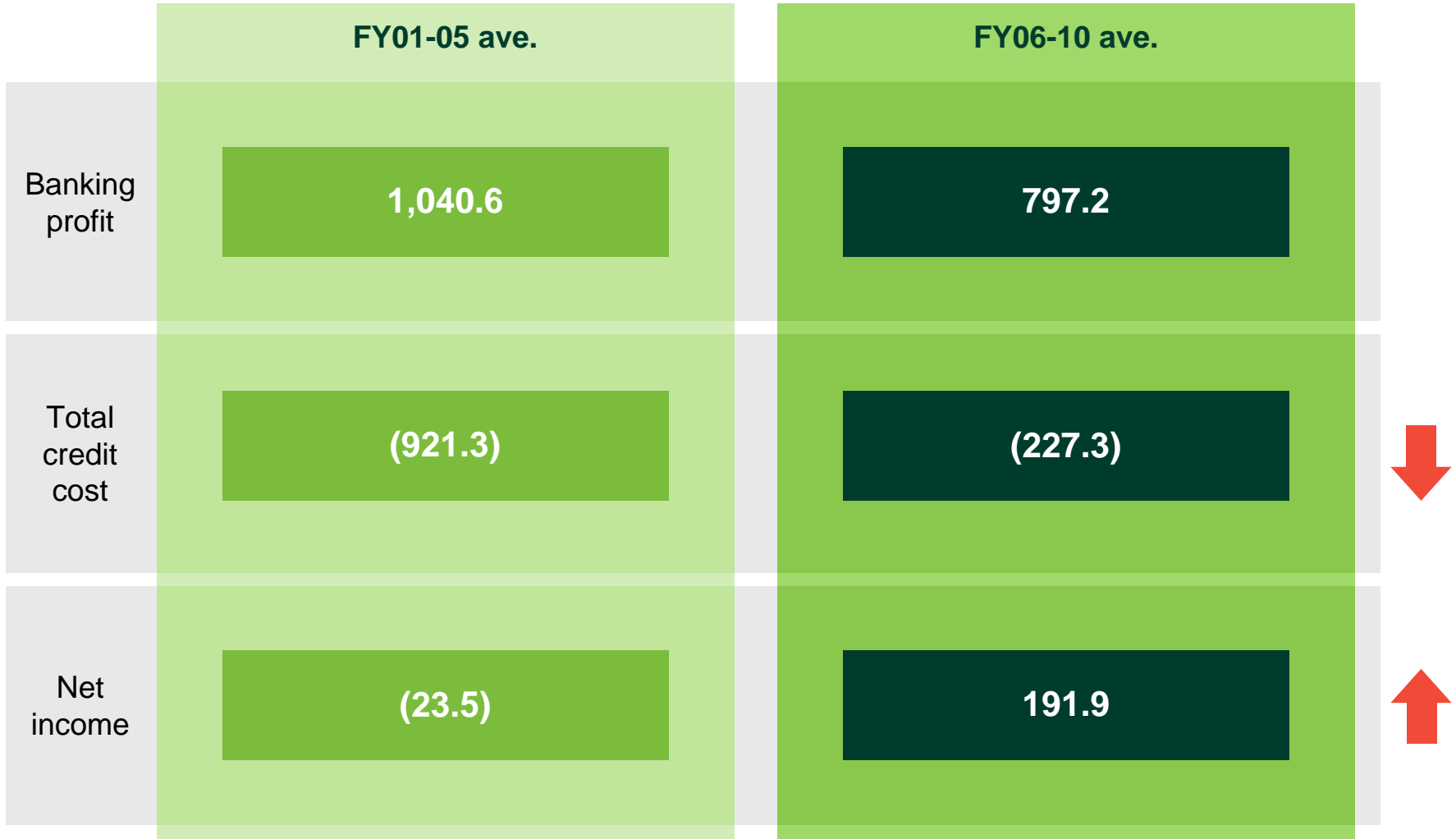
*1 10-year government bond yield at month end (the latest figure is as of Sep. 9, 2011) *2 Source: OECD.Stat (as of Sep. 2011)

*3 Source: Results (- Year 10): OECD Economic Outlook (Jun. 2011), Estimate (Year 11-): Japan Research Institute

3. Solid Commercial Banking Franchise

Over the past decade, we have enhanced profitability through reduction in credit costs while maintaining our competitive advantages in operational efficiency and profit generation capacity

(JPY bn)

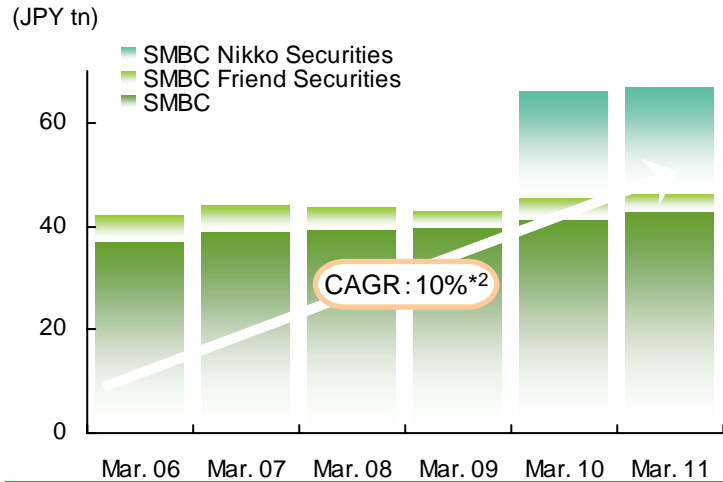


(SMBC non-consolidated)

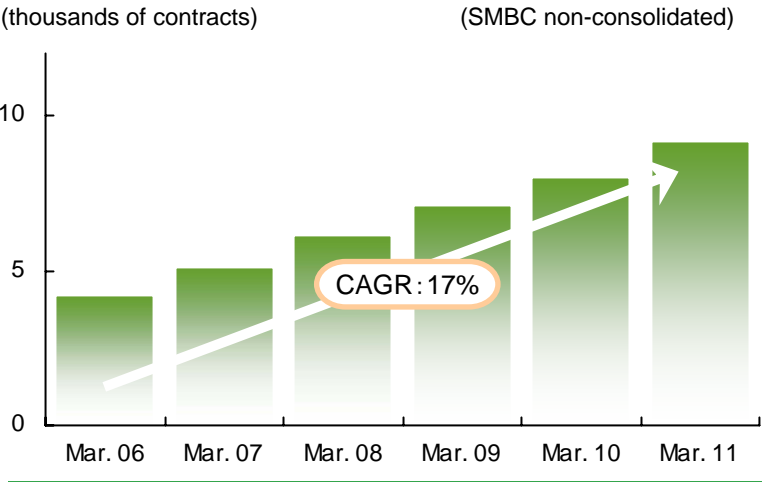
3. Solid Commercial Banking Franchise

We have achieved double-digit growth per annum of commercial banking franchise in strategic business areas

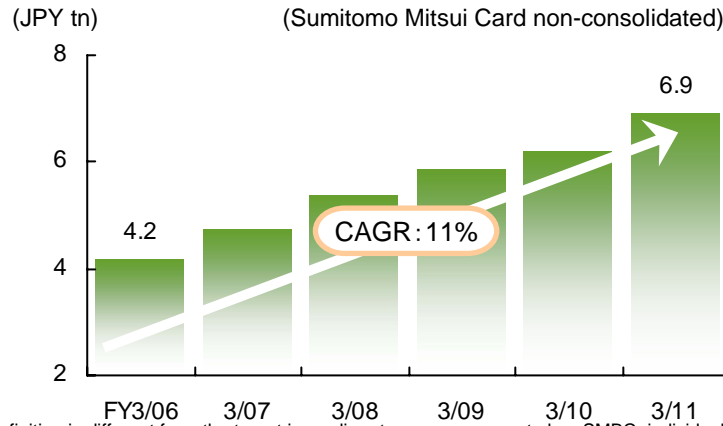
Individuals' asset under management*1



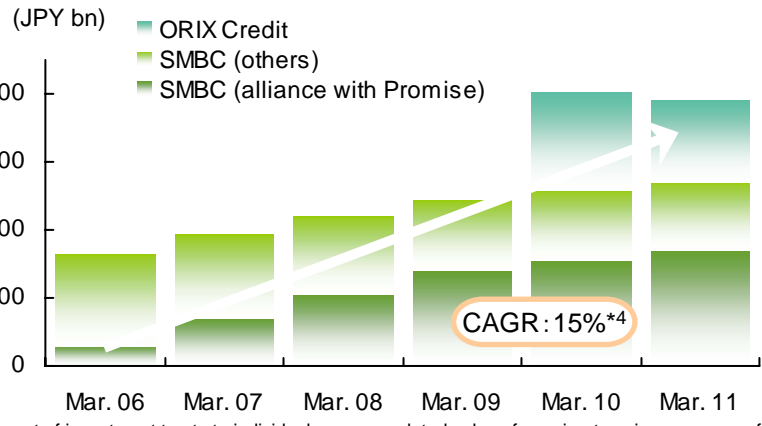
of electronic banking for overseas*3



Card sales handled



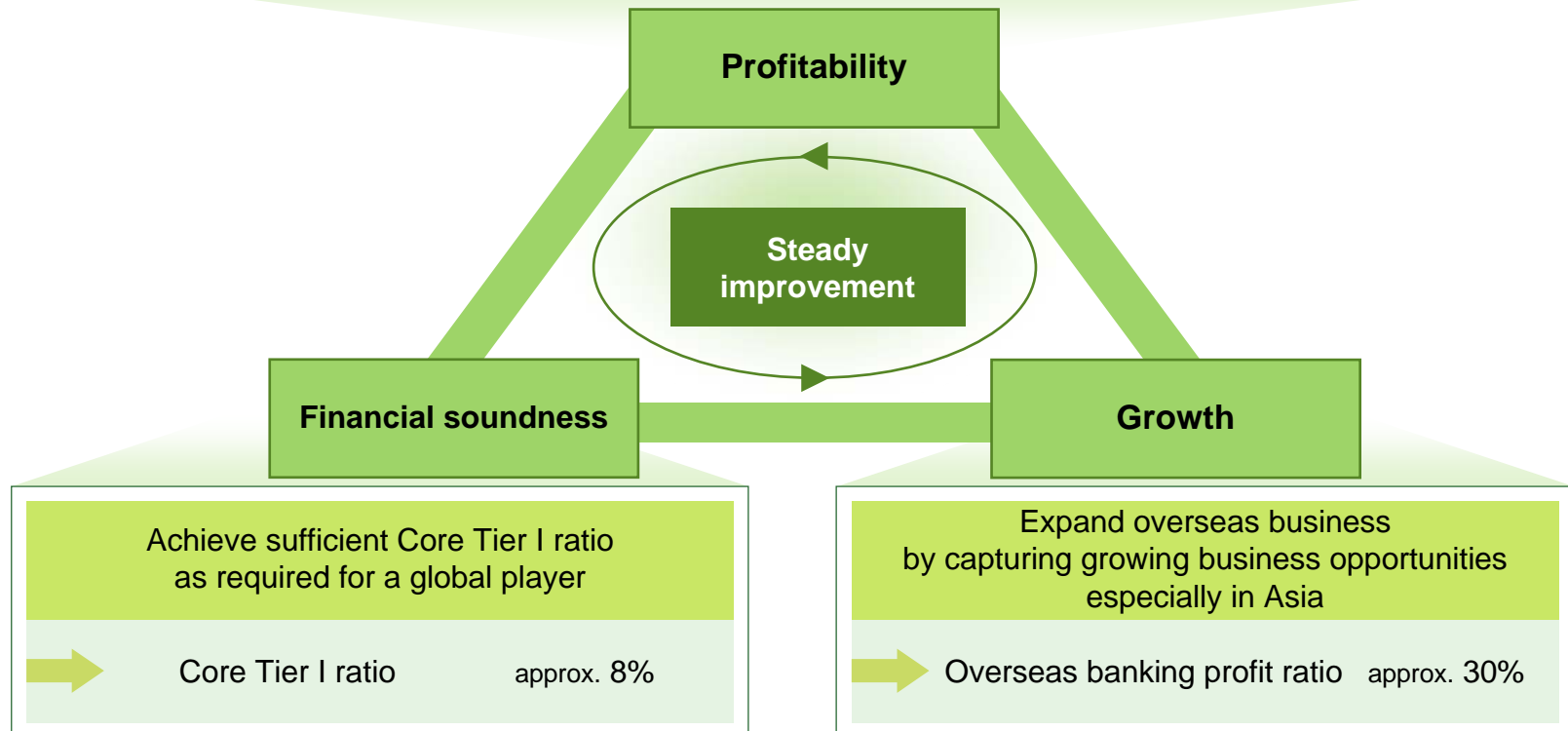
Balance of card loan



*1 Definition is different from the target in medium-term management plan. SMBC=individual deposits + Amount of investment trusts to individuals + accumulated sales of pension-type insurance as of fiscal year end. SMBC Friend Securities=Asset under management (including corporate clients). SMBC Nikko Securities=Individual's asset under management
 *2 Including increase by making SMBC Nikko Securities a wholly-owned subsidiary *3 Total number of contracts for electronic banking services for overseas accounts
 *4 Including increase by the consolidation of ORIX Credit

4. Medium-term Management Plan (1) Financial Targets

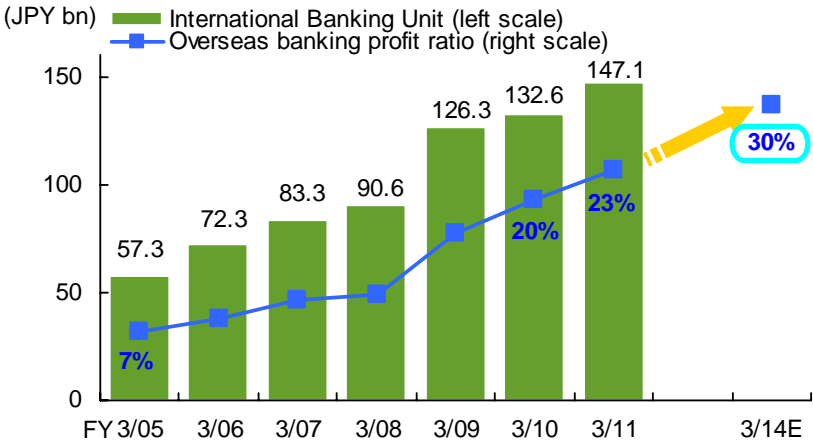
Based on the principle of achieving well-balanced and steady improvement of “financial soundness,” “profitability,” and “growth,” we will expand bottom-line profit steadily with enhanced focus on risk-return and cost-return profiles



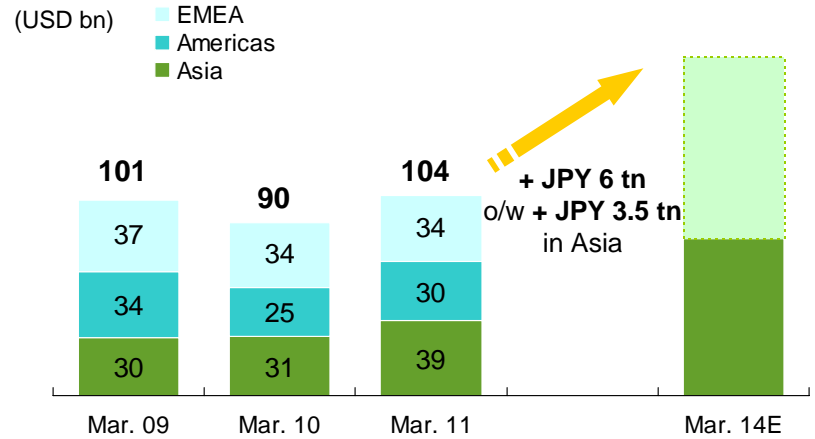
4. Medium-term Management Plan (2) Global Expansion

We aim to increase the overseas banking profit ratio to 30%. We will allocate assets and human resources aggressively, in order to strengthen our business operations

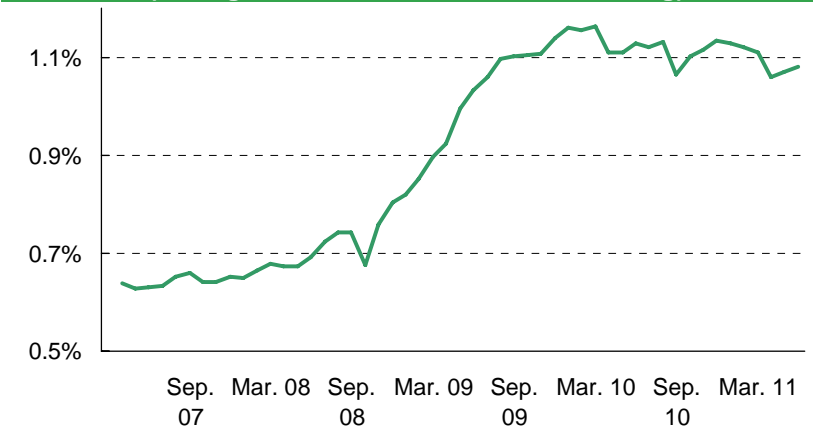
Trend of Banking profit in overseas business*1



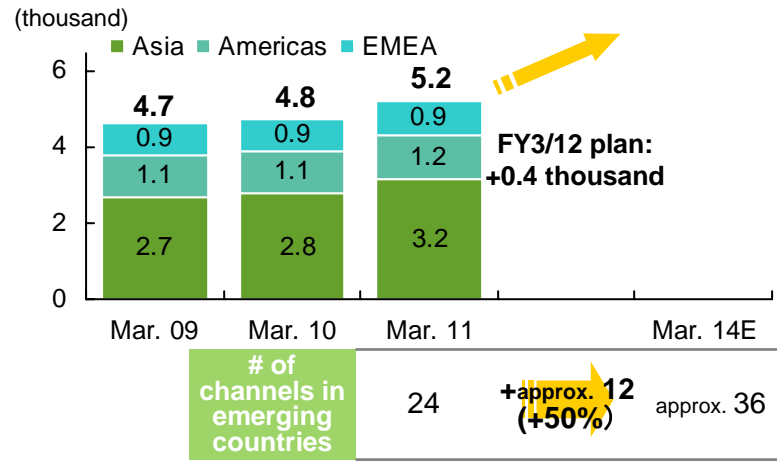
Trend of overseas loans (balance)*2, 3



Spread of overseas loans (average on contracted loans outstanding)*2



of employees*4



*1 Sum of SMBC and overseas subsidiaries. Managerial accounting basis
 *2 Sum of SMBC, SMBC Europe and SMBC (China). Managerial accounting basis
 *3 Based on location of our channels. JPY based loan balance is exchanged to USD at respective term-end JPY/USD rate
 *4 Based on location of our channels

4. Medium-term Management Plan (2) Global Expansion

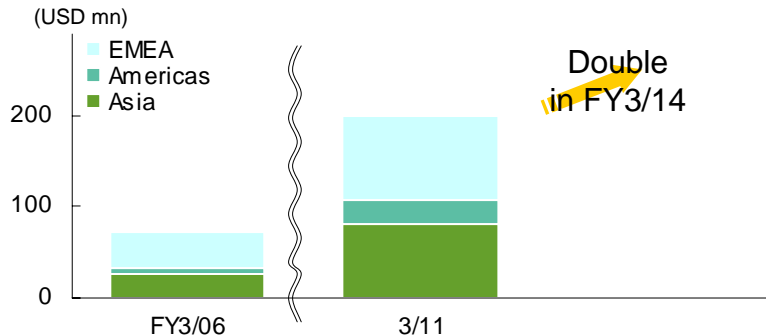
In emerging markets especially in Asia, we will respond to our clients' expanding needs for deposits, foreign exchange and accompanying financing needs. We will also reinforce global trade financing and infrastructure financing

Settlement service

Cash management providers' ranking (in Asia Pacific)*1

Cash management service (CMS) as voted by Corporates	Large Corporates	#4	#1 among Japanese banks for the six consecutive years <Targets> CMS in Asia: one of the top three global banks
	Medium Corporates	#4	
	Small Corporates	#3	
JPY CMS as voted by Financial Institutions		#1	#1 for the six consecutive years

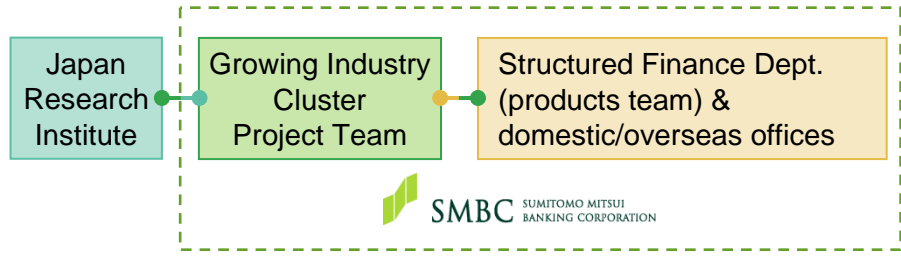
Income relating to trade finance*2



Infrastructure finance*3

	Global	Asia*4
Project finance	#7	#11
Ref. Loan syndication	#11	#4

One-stop shop services ▶ Involve projects from origination stage
 (Feasibility study) (Origination) (Execution)



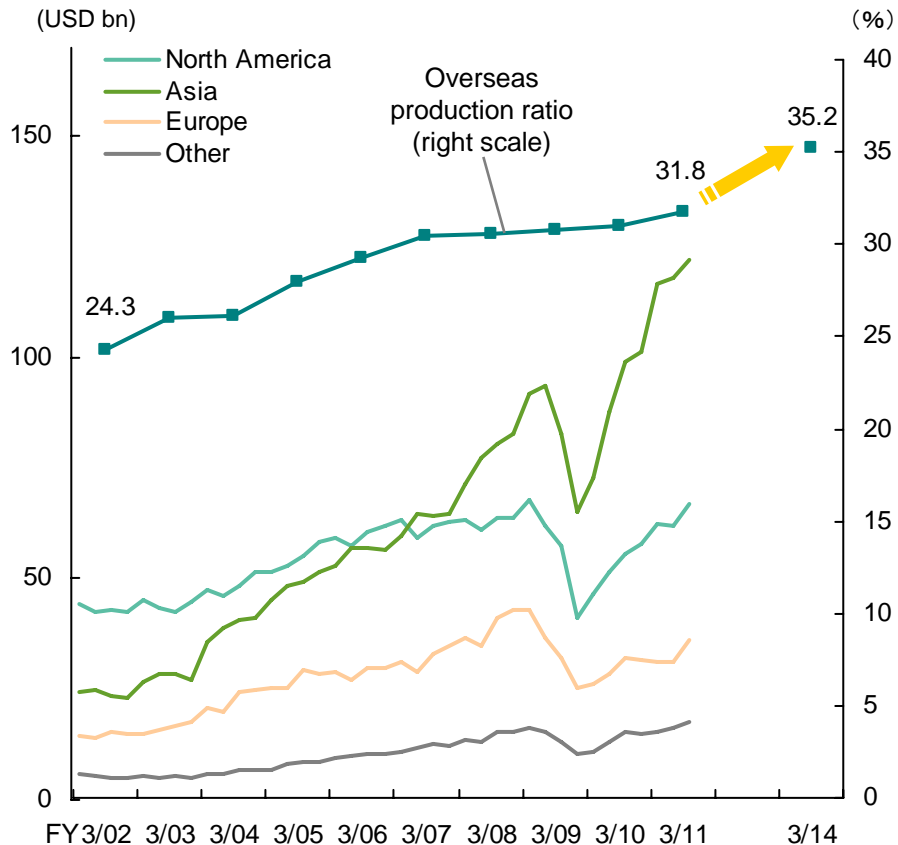
- Projects (examples)
- Delhi Mumbai Industrial Corridor Project (India)
 - Song Bac Hydropower Plant Project (Vietnam)
 - Masterplan developing for the Green Township Concept in Putrajaya City, etc. (Malaysia)
 - Creation of NEXI TBR*5 scheme for promoting institutional investors' investment into infrastructure finance

*1 Source: "ASIAMONEY": "Cash Management Poll 2011" (Aug. 2011)
 *2 Managerial accounting basis (exchanged to USD at respective term-end JPY/USD rate). Sum of SMBC and its overseas subsidiaries
 *3 Results in Jan.-Jun. 2011. Source: Loan syndication - Thomson Reuters (Mandated arranger), Project finance - Project Finance International (Mandated Lead Arranger)
 *4 Loan syndication - Asia (excl. Japan), Project finance - Asia Pacific
 *5 Stand for "Trust Beneficiary Rights"

4. Medium-term Management Plan (2) Global Expansion

In order to effectively and quickly accommodate Japanese corporations' growing needs for their global expansion, we are closely collaborating and redeploying human resources between domestic and overseas offices

Sales of overseas subsidiaries of Japanese corporations (by region)*



Expansion of network and business alliance (Apr.-Jun. 2011)

Enhanced overseas channel and organization

- Commenced operations of subsidiary bank in Malaysia and New Delhi Rep. office.
Opened Shenzhen branch of SMBC (China)
- Restructured organization to reinforce business with Japanese corporations in Greater China
- Established **“Global Business Strategy Dept.”**
 - Laying out organic/inorganic strategy in emerging markets
- Established **“International Banking Dept. Europe Division”** and **“Latin Americas marketing Dept., Americas Division”**
 - Enhance businesses with non-Japanese corporations in emerging countries within EMEA area and the Americas
- Established **“Global Korea Corporate Business Dept.”**
 - Enhance businesses with globally active Korean corporations

Business alliance with leading banks in emerging markets

- Signed MOU with **Banco BTG Pactual (Brazil)**
(mutual cooperation in Brazilian-related businesses)

* Source: Sales of overseas subsidiaries of Japanese corporations: Ministry of Economy, Trade and Industry “Quarterly Survey of Overseas Subsidiaries (Jun. 2011).”
Overseas production ratio: JBIC “Survey Report on Overseas Business Operations by Japanese Manufacturing Companies Result of JBIC FY2010 Survey:
- Outlook for Japanese Foreign Direct Investment (22nd Annual Survey)”

4. Medium-term Management Plan

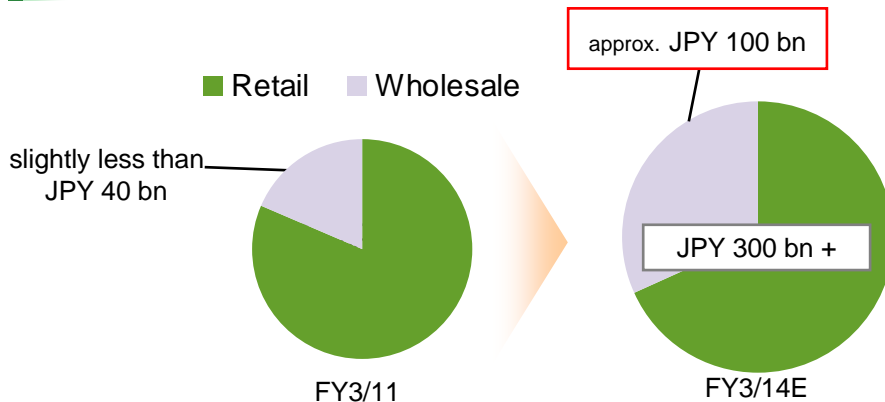
(3) Synergies between SMBC and SMBC Nikko Securities

SMBC Nikko Securities will grow its profitability by consistently enhancing retail business with competitive edge and strengthening capability and cross-selling in wholesale business

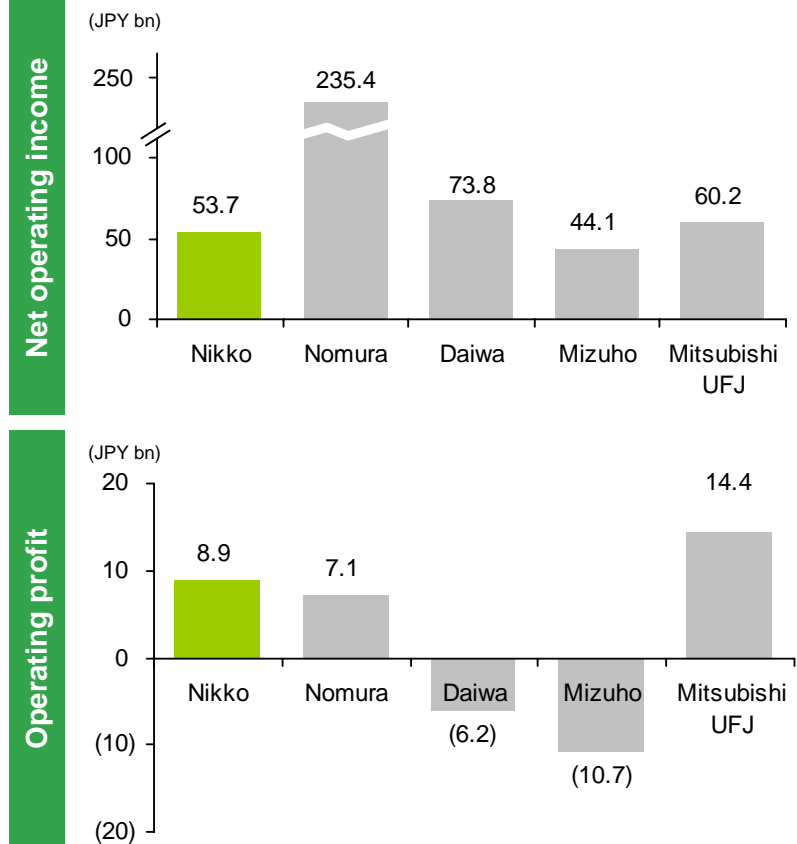
Trends of SMBC Nikko Securities' non-consolidated results

(JPY bn)	FY3/11				FY3/12	FY3/14 Targets
	1Q	2Q	3Q	4Q	1Q	
Net operating revenue	55.0	49.6	53.2	47.2	53.7	300+
G&A expenses	(40.5)	(41.0)	(41.8)	(43.2)	(44.7)	—
Operating profit	13.3	9.3	10.7	4.9	8.9	approx. 100
Net income	10.2	5.8	5.8	1.5	3.4	—

Composition of Net operating revenue by business line



Peer comparison (1Q, FY3/12)*



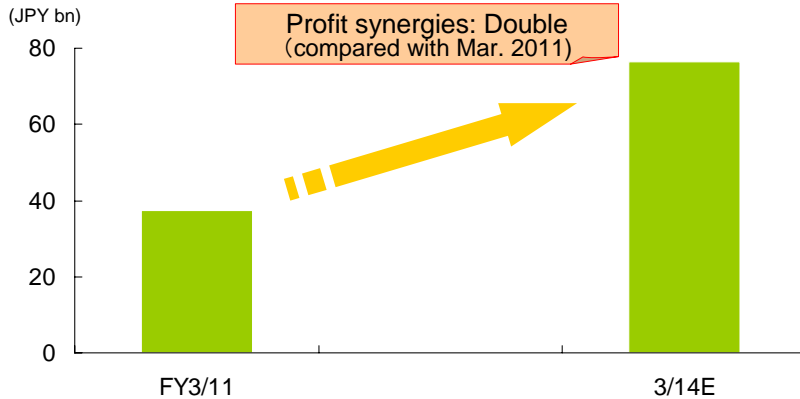
* Based on each company's disclosure. The figures shown in the graph are: consolidated figures (US GAAP, comparison with Net revenue and Income before income taxes) of Nomura Holdings for Nomura, consolidated figures of Daiwa Securities Group for Daiwa, consolidated figures of Mizuho Securities for Mizuho, and consolidated figures of Mitsubishi UFJ Securities Holdings for Mitsubishi UFJ

4. Medium-term Management Plan

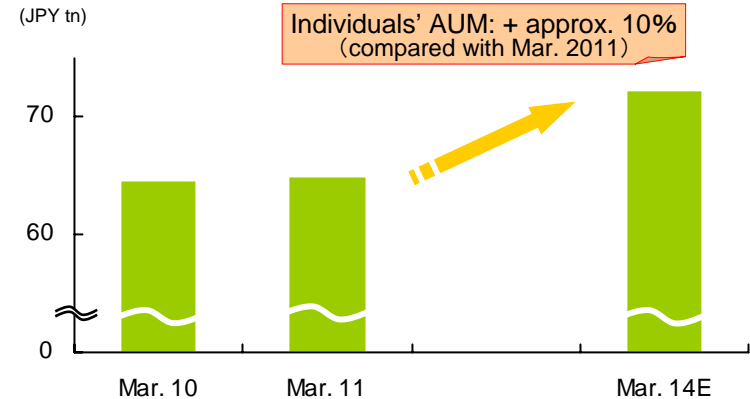
(3) Synergies between SMBC and SMBC Nikko Securities

We will strengthen capabilities of financial consulting services for individuals and solution providing for corporations, through additional development of business synergies between the bank and the securities

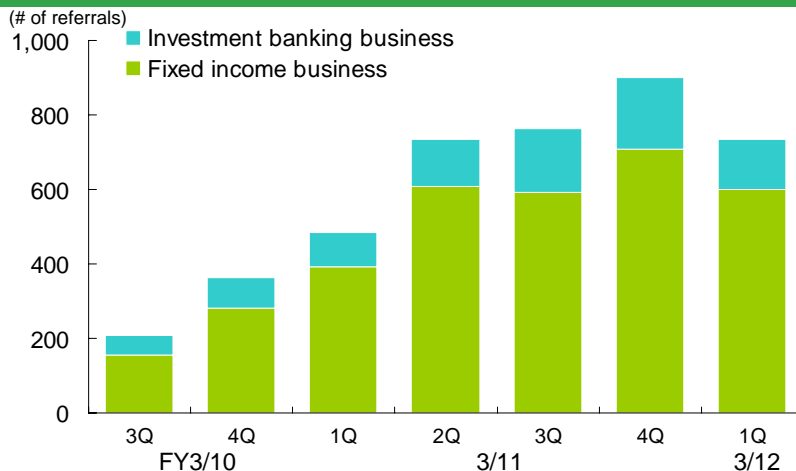
Profit synergies*1



Individuals' assets under management*3



of referrals from SMBC to SMBC Nikko Securities*2



Ranking related to wholesale business

League tables (Apr.-Jun. 2011)	Ranking	Mkt share
Japan Equity & Equity-Related (Book runner, proceeds)*4	#1	27.2%
All Bonds in Yen (Manager, proceeds)*5	#5	11.5%
Financial Advisor (M&A, # of deals)*4	#2	3.5%
Analyst ranking	Ranking	#of analysts
Corporate ranking*6	#9	31

Established Equity Research Division in Aug. 2010

*1 Managerial accounting basis *2 On a contract basis *3 Managerial accounting basis (total of SMBC, SMBC Nikko Securities and SMBC Friend Securities)

*4 Source: Thomson Reuters (group basis) *5 Source: SMBC Nikko Securities (corporate bonds, FILP agency bonds, municipality bonds (proportional shares as lead manager), samurai bonds)

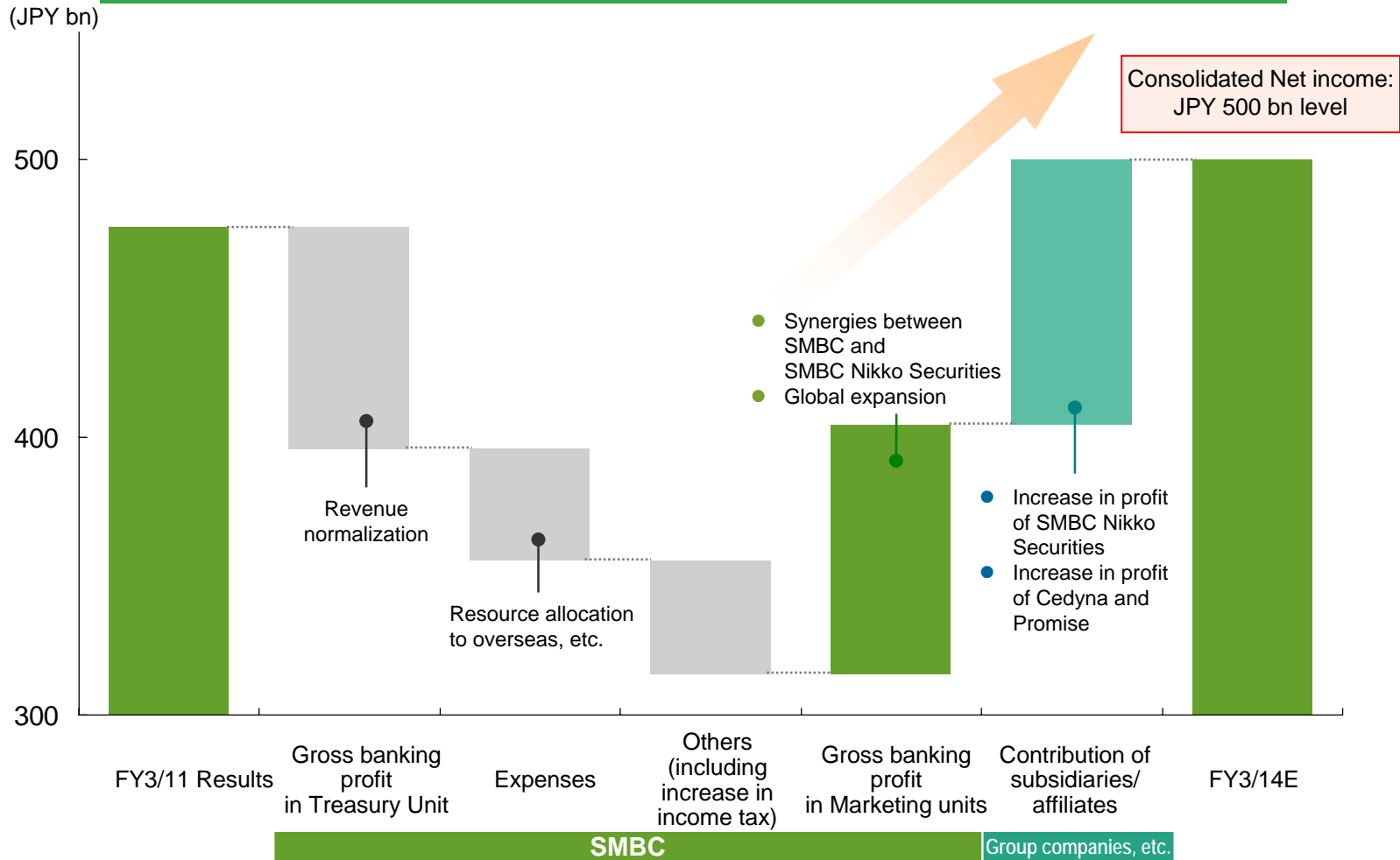
*6 Source: The Nikkei Veritas (Mar. 20, 2011). As of Jul. 29, 2011 for # of analysts

4. Medium-term Management Plan

(4) Estimate of Consolidated Net Income Growth

We set target of SMFG's consolidated Net income at JPY 500 billion level in FY3/2014.
 To this end, we aim to increase profit in SMBC's Marketing units through global expansion and synergies between SMBC and SMBC Nikko Securities, as well as to increase profit in group companies

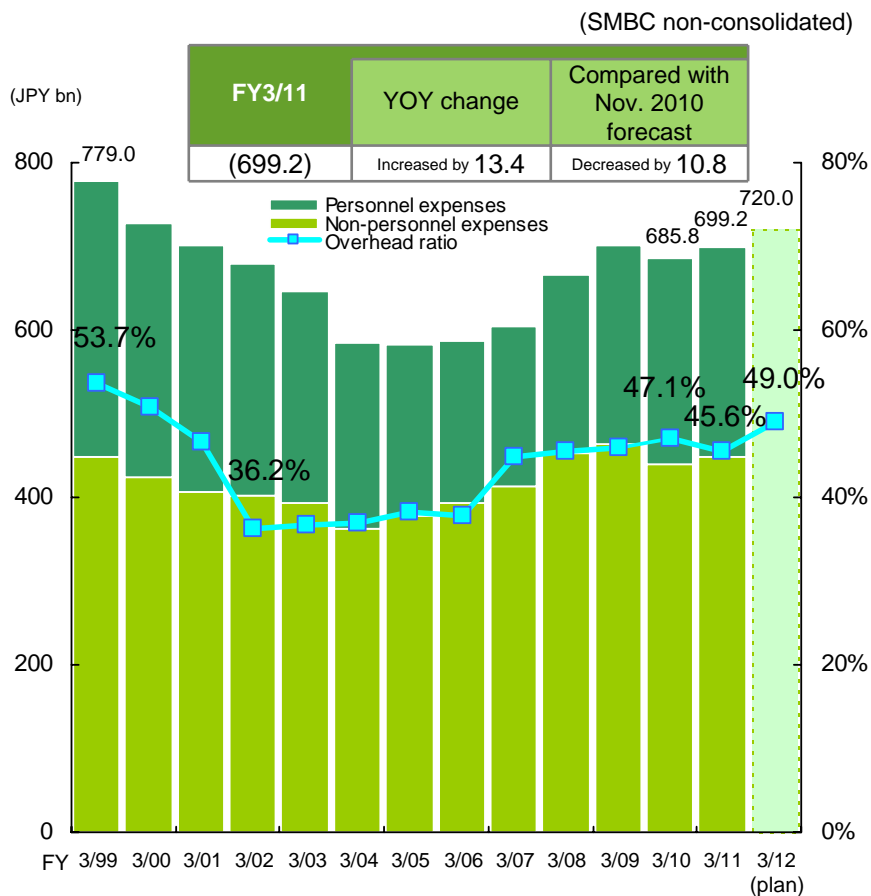
3 year estimate of profit growth (SMFG consolidated Net income basis)



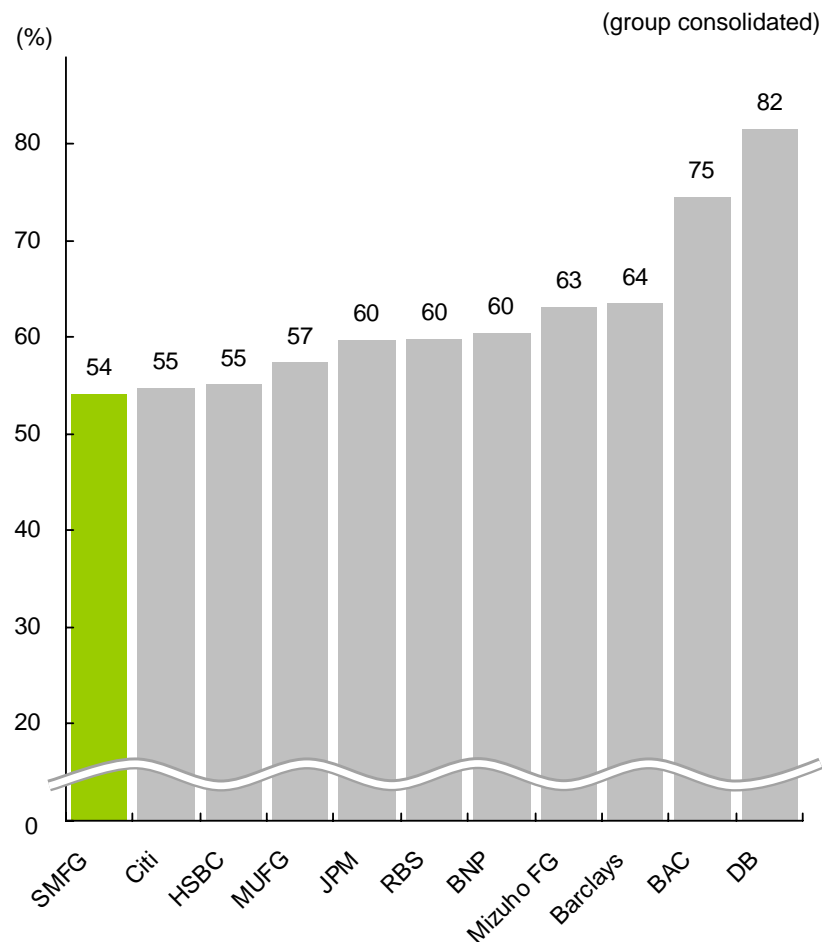
4. Medium-term Management Plan (5) Operational Efficiency

We will further pursue operational efficiency, targeting 45-50% of SMBC's non-consolidated overhead ratio and 50-55% of SMFG's consolidated overhead ratio

Trends of Expenses*1



Consolidated overhead ratio (global peer comparison*2)



*1 Excluding non-recurring losses. FY3/2001 and before: aggregated figures of former Sakura Bank and Sumitomo Bank

*2 Based on each company's disclosed figures (net of insurance claims). As of FY3/2011 results for SMFG, MUFG and Mizuho FG, and as of FY12/2010 results for others

4. Medium-term Management Plan

(6) Group-wide Management Capability

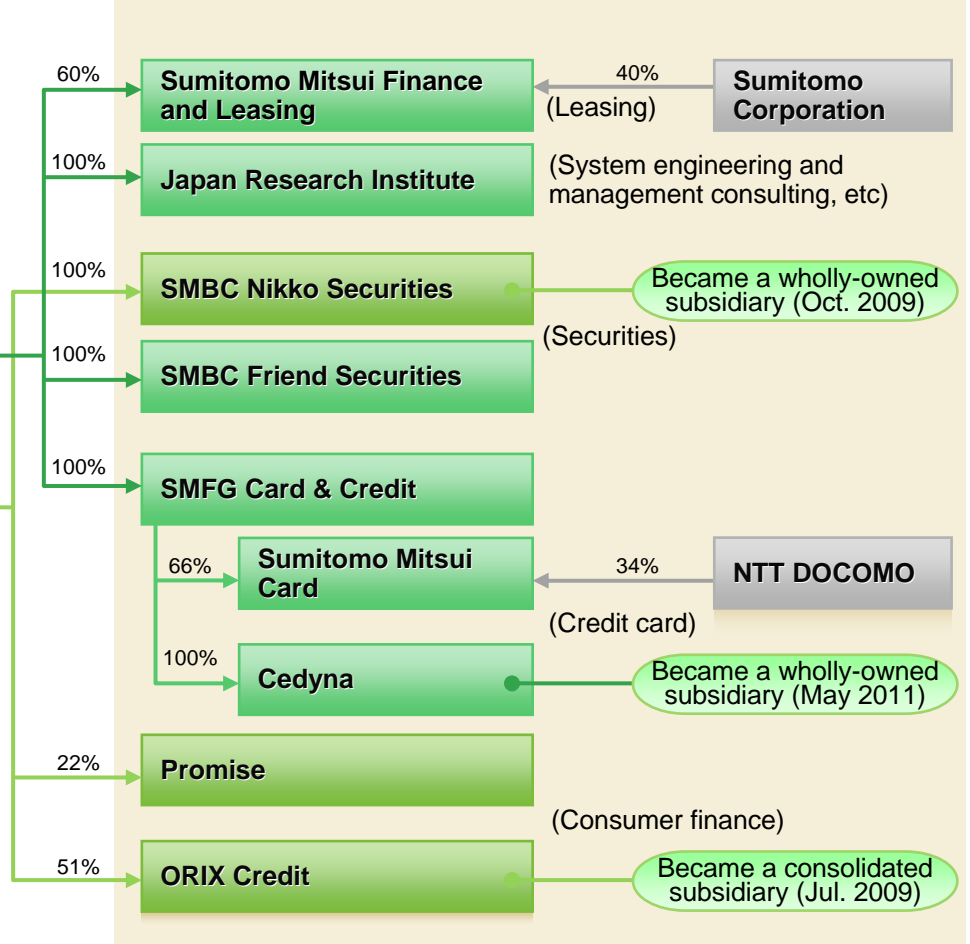
We will implement efficient operation of SMBC into other group companies



Sumitomo Mitsui Financial Group	
Consolidated total assets	JPY 138 tn
Consolidated Tier I ratio	12.47%



Sumitomo Mitsui Banking Corporation	
Assets	JPY 115 tn
Deposits	JPY 74 tn
Loans	JPY 55 tn
# of retail accounts	approx. 26 mn
# of corporate loan clients	approx. 119,000



* As of Sep. 13, 2011 for shareholding ratio and as of Mar. 31, 2011 for other figures

5. Steady Earnings Generation in 1Q, FY3/2012

In 1Q, FY3/2012, we made a favorable progress

Overview of 1Q, FY3/2012 Results

Banking profit*1		
	SMBC non-consolidated	
Favorable progress	"FY3/2012 forecast" JPY 750 bn	JPY 206.7 bn
Overseas banking profit ratio		
	Managerial accounting basis	
Increase in overseas loans	"FY3/2014 target" approx. 30%	24.3 %
Overhead ratio		
	SMBC non-consolidated/ SMFG consolidated	
Controlled within the target level	"FY3/2014 target" Overhead ratio: 45-50%	46.9 %
	Consolidated overhead ratio: 50-55%	53.8 %
Total Credit Cost*2		
	SMBC non-consolidated	
Net reversal	"FY3/2012 forecast" JPY (100) bn	(Net reversal) JPY 31.4 bn
Net income		
	SMFG consolidated	
Favorable progress	"FY3/2012 forecast" JPY 400 bn	JPY 206.6 bn

*1 Before provision for general reserve for possible loan losses

*2 Including portion recorded in Extraordinary gains (losses) in the results of 1Q, FY3/2011

*3 Excluding non-recurring losses

P/L

		(JPY bn)			
		1Q, FY3/12	YOY change	1H	FY3/12 forecast
SMBC non-consolidated	Gross banking profit	389.5	(5.6)	725	1,470
	o/w Gains (losses) on bonds	58.2	(17.0)		
	Expenses*3	(182.8)	Increased by 7.6	(355)	(720)
	<Overhead ratio>	46.9%	Increased by 2.6%	49.0%	49.0%
	Banking profit*1	206.7	(13.2)	370	750
	Total credit cost*2	(Net reversal) 31.4	Decreased by 42.2	(50)	(100)
	Ordinary profit	194.1	(3.9)	290	600
	Net income	167.4	(8.4)	150	350
SMFG consolidated	Ordinary profit	301.2	+28.0	400	840
	Net income	206.6	(5.2)	170	400

Common share dividends

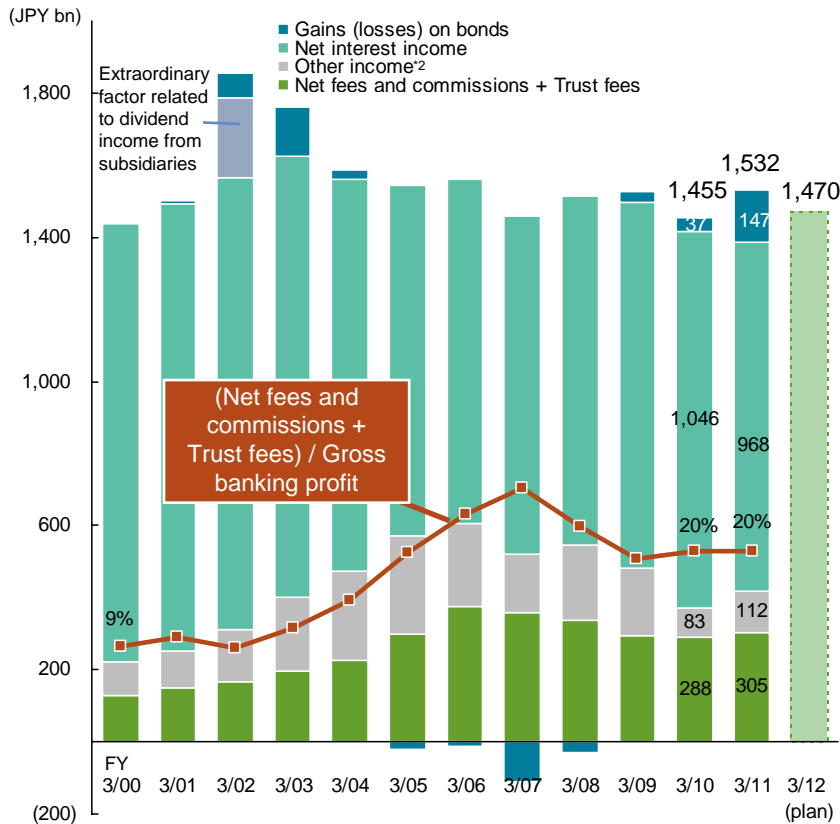
- Planning to pay JPY 100 per share for FY3/2012, the same level as FY3/2011

Appendices

■ (Appendix 1) Gross Banking Profit in FY3/2011

Gross banking profit [SMBC's non-consolidated] was JPY 1,531.8 billion, an increase of JPY 76.5 billion year over year due mainly to an increase in Gains on bonds resulting from our ALM operations that quickly responded to the decline in market interest rates, an increase in sales of investment trusts, and an increase in fees related to loans in overseas, while Gross banking profit was partially offset by a decrease in Net interest income decreased due to tightened loan to deposit spread associated with a decline in the interest rate in the domestic market

Gross banking profit*1



Major factors of YOY change

(JPY bn)	FY3/11	YOY change
Gross banking profit	1,531.8	+76.5
[Excluding gains (losses) on bonds]	[1,384.7]	[(33.3)]
Net interest income	967.8	(78.6)
Net interest income in domestic operations	867.6	(42.4)
Net interest income in international operations	100.2	(36.2)
o/w Interest on interest-rate swaps	(9.9)	(38.2)
Net fees and commissions + Trust fees	305.0	+16.6
o/w Fees on sales for investment trusts*3	52.0	+13.2
o/w Fees related to loans in International Banking Unit*3	47.8	+13.2
Net trading income + Net other operating income	259.0	+138.5
o/w Gains (losses) on bonds	147.1	+109.8
o/w Income from (expenses on) derivatives	9.3	+23.2

*1 FY3/01 and before: aggregated figures of former Sakura Bank and Sumitomo Bank
 *2 Other income = Net trading income + Net other operating income – Gains (losses) on bonds

*3 Managerial accounting basis

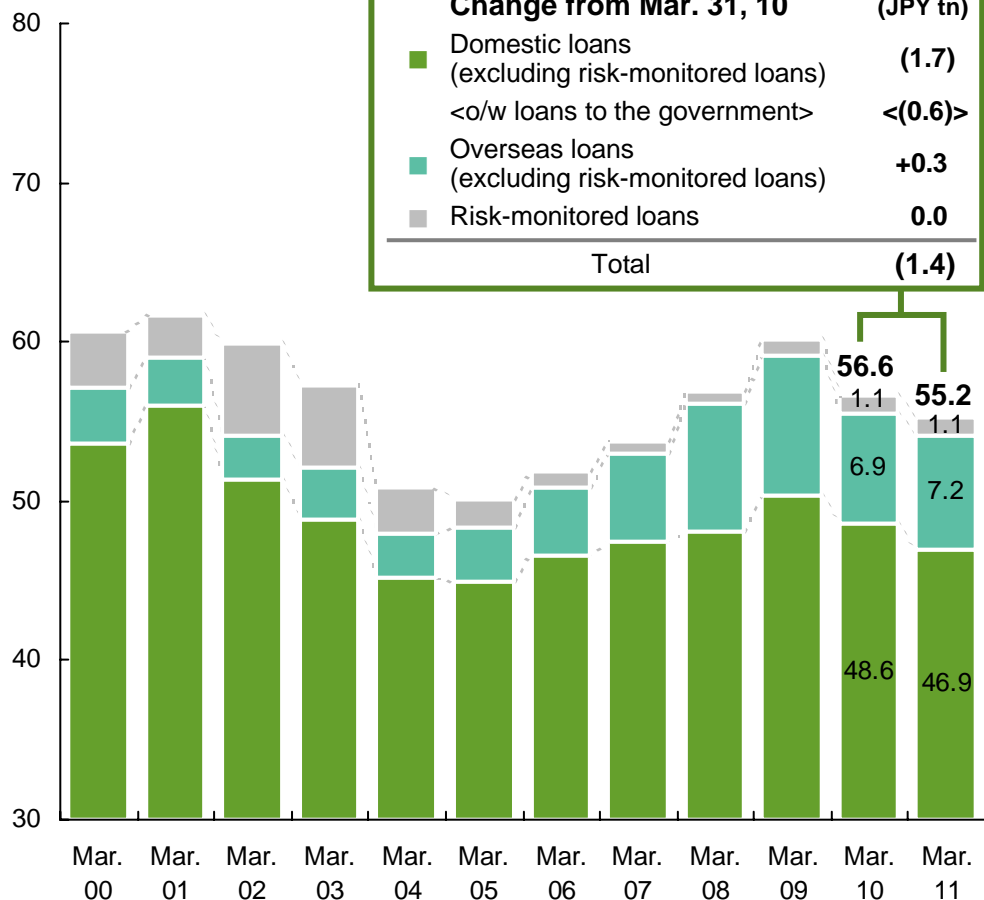
(SMBC non-consolidated)

■ (Appendix 2) Loan Balance

Domestic loans as of Mar. 31, 2011 decreased by JPY 1.7 trillion compared with Mar. 31, 2010 due mainly to limited loan demand. Overseas loans increased by JPY 1.0 trillion after currency adjustments as a result of the allocation of more assets in areas centered in Asia and the Americas

Trends of loan balance*1

(JPY tn, term-end balance)



*1 Mar. 01 and before: aggregated figures of former Sakura bank and Sumitomo Bank

Term-end balance by domestic business unit (managerial accounting basis)

(JPY tn, term-end balance)

	Mar. 31, 11	Change from Mar. 31, 10
Consumer Banking Unit	15.5	0.0 ^{*2}
Middle Market Banking Unit^{*3}	17.1	(1.2)
Corporate Banking Unit	11.9	(0.1)

*2 After add-back adjustment of portion of housing loans securitized in FY3/11 (approx. JPY 50 bn)

*3 Excluding loans to the public sector

Overseas loans, classified by region*4 (managerial accounting basis)

(JPY tn, term-end balance)

	Mar. 31, 11	Change from Mar. 31, 10	After adjustment of yen appreciation
Overseas total	8.6	+ 0.3	+ 1.0
Americas	2.5	+ 0.2	+ 0.4
EMEA	2.8	(0.3)	0.0
Asia	3.3	+ 0.4	+ 0.6

*4 Based on location of our channels. (SMBC non-consolidated) Including SMBC Europe and SMBC (China)

(Appendix 3) Loan to Deposit Spread

Loan to deposit spread tightened due to a decline in loan yields reflecting lowered market interest rates

Loan to deposit spread (financial accounting basis)

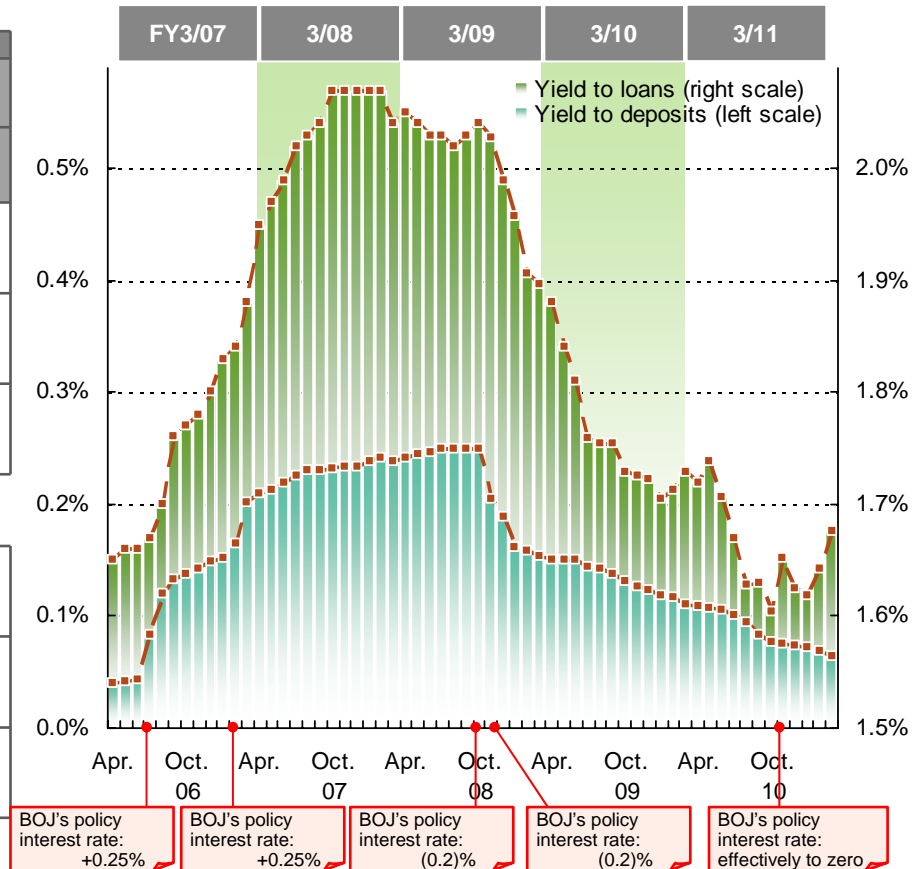
(JPY tn, %)

<Domestic>	FY3/11		YOY change	
	Average balance	Yield	Average balance	Yield
Loans* (a)	46.1	1.65	(2.0)	(0.09)
Deposits, etc. (b)	69.1	0.09	+1.9	(0.05)
Loan to deposit spread (a) - (b)		1.56		(0.04)
<Overseas>				
	FY3/11		YOY change	
	Average balance	Yield	Average balance	Yield
Loans (a)	8.7	1.99	(0.5)	(0.13)
Deposits, etc. (b)	9.7	0.48	(0.7)	0.00
Loan to deposit spread (a) - (b)		1.51		(0.13)

* Excludes loans to financial institutions

● Short term prime rate:	1.375%	→ 1.625% (+ 0.250%, 06/8/21 ~)	→ 1.875% (+ 0.250%, 07/3/26 ~)	→ 1.675% (- 0.200%, 08/11/17 ~)	→ 1.475% (- 0.200%, 09/1/13 ~)	→
● Yield on ordinary deposit:	0.001%	→ 0.100% (+ 0.099%, 06/7/18 ~)	→ 0.200% (+ 0.100%, 07/2/26 ~)	→ 0.120% (- 0.080%, 08/11/4 ~)	→ 0.040% (- 0.080%, 08/12/22 ~)	→
		→ 0.020% (- 0.020%, 10/9/13 ~)				
● Yield on 1 year term deposit:	0.150%	→ 0.300% (+ 0.150%, 06/7/18 ~)	→ 0.400% (+ 0.100%, 07/2/26 ~)	→ 0.300% (- 0.100%, 08/11/12 ~)	→ 0.250% (- 0.050%, 09/5/1 ~)	→
		→ 0.200% (- 0.050%, 09/7/13 ~)	→ 0.170% (- 0.030%, 09/9/7 ~)	→ 0.140% (- 0.030%, 09/11/9 ~)	→ 0.100% (- 0.040%, 09/12/21 ~)	→
		→ 0.080% (- 0.020%, 10/3/15 ~)	→ 0.060% (- 0.020%, 10/9/13 ~)	→ 0.040% (- 0.020%, 10/10/25 ~)	→ 0.030% (- 0.010%, 11/8/22 ~)	→

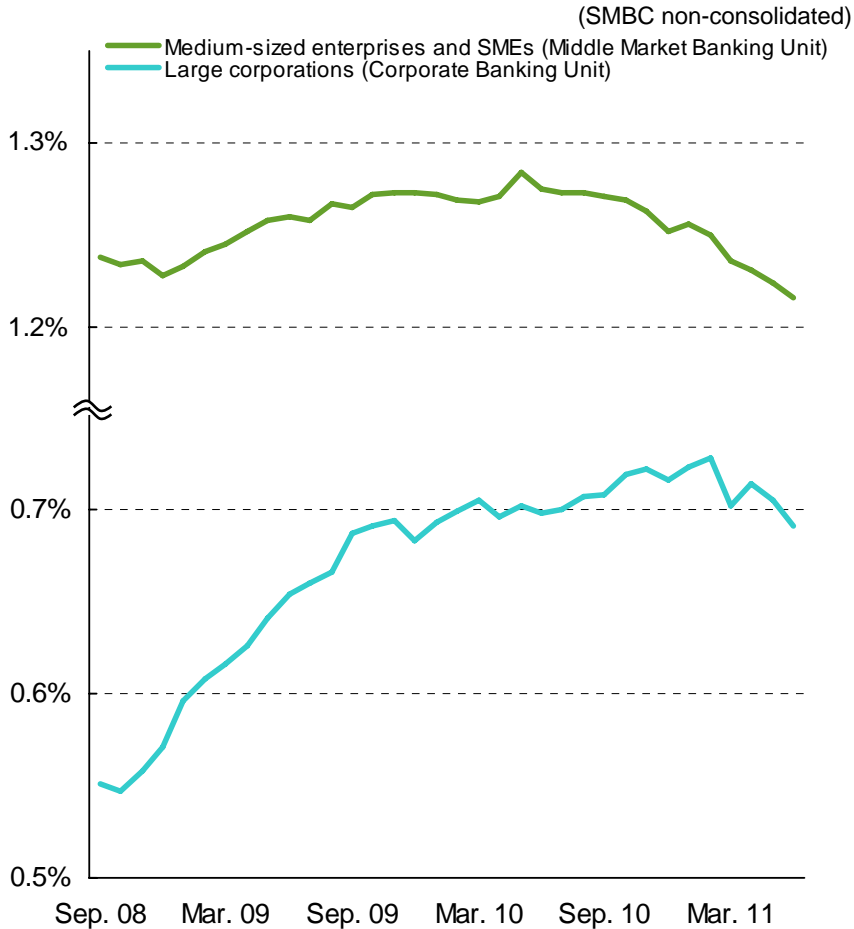
Yield of domestic loans and deposits (managerial accounting basis)



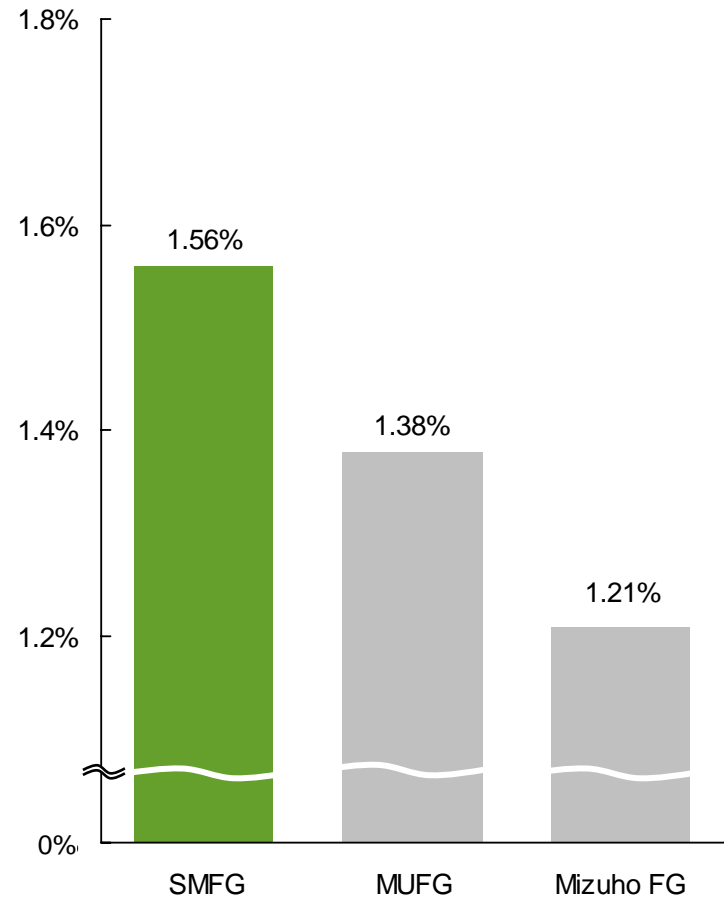
(SMBC non-consolidated)

(Appendix 4) Loan Spread / Peer Comparison of Loan to Deposit Spread (Domestic)

Domestic loan spread (managerial accounting basis)



Ref. Domestic loan to deposit spread (In FY3/11, peer comparison*)



* Based on each companies' disclosure.
 The figures shown in the graphs are: non-consolidated figures of SMBC for SMFG, non-consolidated figures of The Bank of Tokyo-Mitsubishi UFJ for MUFG, and simple aggregation of Mizuho Bank and Mizuho Corporate Bank for Mizuho FG

(Appendix 5) Performance by Business Unit

In addition to the substantial increase in profit of Treasury Unit, profit in the Marketing units also rose due mainly to an increase in sales of investment trusts and fees related to loans in the International Banking Unit

		FY3/10	FY3/11	YOY change*1
		(JPY bn)		
Consumer Banking Unit	Gross banking profit	391.7	387.8	+5.9
	Expenses	(288.7)	(290.3)	(2.3)
	Banking profit	103.0	97.5	+3.6
Middle Market Banking Unit	Gross banking profit	472.9	443.9	(20.5)
	Expenses	(218.7)	(221.7)	(3.6)
	Banking profit	254.2	222.2	(24.1)
Corporate Banking Unit	Gross banking profit	197.3	201.3	(1.3)
	Expenses	(33.3)	(36.0)	(1.7)
	Banking profit	164.0	165.3	(3.0)
International Banking Unit (INBU)	Gross banking profit	169.1	186.5	+31.7
	Expenses	(54.5)	(57.9)	(6.6)
	Banking profit	114.6	128.6	+25.1
Marketing units	Gross banking profit	1,231.0	1,219.5	+15.8
	Expenses	(595.2)	(605.9)	(14.2)
	Banking profit	635.8	613.6	+1.6
Treasury Unit	Gross banking profit	272.8	330.7	+57.9
	Expenses	(16.3)	(17.9)	(1.8)
	Banking profit	256.5	312.8	+56.1
Headquarters	Gross banking profit	(48.5)	(18.4)	+2.8
	Expenses	(74.3)	(75.4)	Decreased by 2.6
	Banking profit	(122.8)	(93.8)	+5.4
Total	Gross banking profit	1,455.3	1,531.8	+76.5
	Expenses	(685.8)	(699.2)	Decreased by 13.4
	Banking profit	769.5	832.6	+63.1

Gross banking profit by products*2

		(JPY bn)	
		(YOY change*1)	
o/w:			
Income on domestic loans		501.4	(17.0)
Income on domestic yen deposits		184.8	(6.1)
INBU's Interest related income		107.7	+5.0
Interest income		849.5	(18.5)
o/w:			
Investment trusts		52.0	+13.2
Pension-type insurance		10.5	(7.3)
Income relating to Financial consulting for individuals		74.0	+13.1
o/w:			
Loan syndication		44.7	(2.9)
Structured finance*3		53.1	+9.4
Real estate finance*3		34.3	+5.2
Income relating to Investment banking business*3		155.9	+14.0
o/w:			
Sales of derivatives		17.0	(2.8)
Money remittance, Electronic banking		93.1	(1.7)
Foreign exchange		45.6	+4.7
INBU's Non-interest income		78.8	+26.7
Non-interest income		370.0	+34.3
Marketing units		1,219.5	+15.8

<Nominal change>
YOY change: (11.5)

Adjustment of interest rates and exchange rates, etc.: (27.3)

Average loan balance and spread by business unit*2

	Average balance		Average spread	
	FY3/11	YOY change	FY3/11	YOY change
(JPY tn, %)				
Domestic loans	48.7	(2.2)	1.06	+ 0.01
o/w:				
Consumer Banking Unit	15.4	+ 0.2	1.42	(0.06)
Middle Market Banking Unit	17.6	(1.6)	1.17	(0.02)
Corporate Banking Unit	11.7	(0.5)	0.72	+ 0.05

*1 After adjustment of interest rates and exchange rates, etc. (included in Headquarters) *2 Managerial accounting basis *3 Including interest income

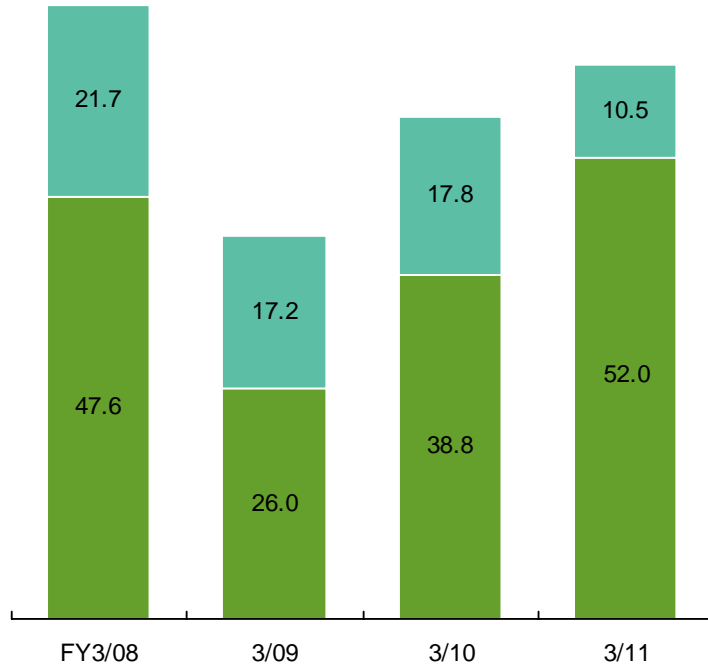
(Appendix 6) Non-interest Income

Our profits recovered steadily after the financial crisis

Profits related to investment trust and pension-type insurance

(JPY bn) (SMBC non-consolidated)

- Pension-type insurance
- Investment trusts



Outstanding balance*1 (JPY tn)

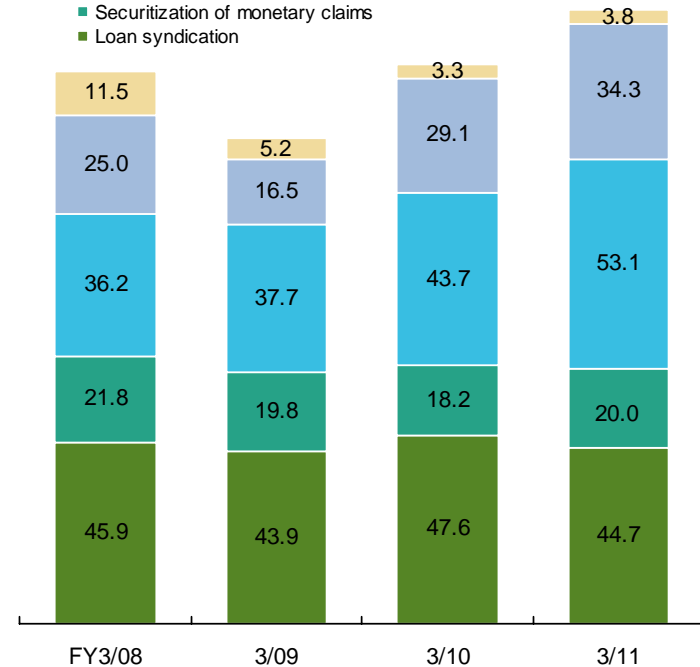
5.6 → 4.9 → 5.9 → 6.2

*1 Amount of investment trusts to individuals under SMBC account + accumulated sales of pension-type insurance as of fiscal year end

Profits related to investment banking business

(JPY bn) (SMBC non-consolidated)

- Securities intermediary
- Real estate finance
- Structured finance
- Securitization of monetary claims
- Loan syndication



*2 Profits of securities intermediary business: fees and commissions from the transactions with both individual and corporate clients. Profits of the other businesses: managerial accounting basis including fees, commissions, interest income, etc.

(Appendix 7) Contribution of Subsidiaries/Affiliates to Consolidated Profit

The difference of Net income between SMFG's consolidated and SMBC's non-consolidated improved by JPY 101.1 billion year over year to JPY 54.7 billion, due mainly to a recovery of business performance in subsidiaries such as Kansai Urban Banking Corporation and Cedyne

FY3/11 Results (JPY bn)	SMFG consolidated	SMBC non-consolidated	Difference	YOY change
Gross banking profit	2,504.7	1,531.8	972.9	+191.6
Net interest income	1,317.7	967.8	349.9	+15.4
Trust fees	2.3	2.3	0	(0.1)
Net fees and commissions	766.2	302.7	463.5	+141.6
Net trading income	237.1	151.1	86.0	+7.3
Net other operating income	181.4	107.9	73.5	+27.4
General and administrative expenses (G&A expenses)	(1,355.3)	*1 (699.2)	(656.1)	Increased by 180.6
Total credit cost*2	(217.3)	(94.3)	(123.0)	Decreased by 95.3
Gains (losses) on stocks	(91.9)	(87.3)	(4.6)	+9.4
Equity in earnings (losses) of affiliates	(13.3)	-	(13.3)	+8.2
Ordinary profit	825.4	595.7	229.7	+133.6
Net income	475.9	421.2	54.7	+101.1
Net business profit / Banking profit	1,002.0	832.6	169.4	+106.6
	Forecast for FY3/12	Ordinary profit	240.0	+10.3
		Net income	50.0	(4.7)

Major factors in difference (in round numbers)

Impact of new consolidation

YOY change (JPY bn)	SMBC Nikko Securities*3 (consolidated)	Cedyne
Gross profit	+111	+114
G&A expenses	(94)	(98)
Equity in earnings (losses) of affiliates	+1	+36
Ordinary profit	+12	+32
Total credit cost		(25)
(Ref.) Timing of consolidation	Oct. 2009	May 2010

Other major factors

(JPY bn)	FY3/11	YOY change
(1) Kansai Urban Banking Corporation	(28)	Decreased by 39
(1) SMBC Europe	(2)	Decreased by 27
(2) SMBC Nikko Securities*3	24	(4)
(2) Sumitomo Mitsui Finance and Leasing	16	+4
(2) *4 Sumitomo Mitsui Card	13	+3
(2) Kansai Urban Banking Corporation	4	+19
(2) Cedyne	0	+33
(2) Promise	(21)	(24)

*1 Excluding non-recurring losses *2 Including portion recorded in Extraordinary gains (losses)

*3 Changed name from Nikko Cordial Securities (Apr. 2011)

*4 Figures are before offsetting internal transactions between group companies and after adjustment by ownership ratio

■ (Appendix 8) Capital

SMFG's consolidated Tier I ratio as of Mar. 31, 2011 increased by 132 bps compared with Mar. 31, 2010. This was due mainly to an increase in Tier I capital resulting from an accumulation of retained earnings and a decrease in risk-adjusted assets resulting from an improvement in asset quality

(JPY bn)	Mar. 31, 10 (a)	Mar. 31, 11 (b)	(b) - (a)
Tier I	6,032.3	6,324.0	+291.7
o/w:			
Capital stock & Capital surplus	3,316.8	3,316.7	(0.1)
<Preferred Stock>	[210.0]	*1 [210.0]	-
Retained earnings	1,371.3	1,702.8	+331.5
Preferred securities issued by overseas SPCs	1,633.3	1,593.6	(39.7)
Foreign currency translation adjustment	(101.7)	(122.9)	(21.2)
Increase in equity capital resulting from a securitization exposure	(37.5)	(36.3)	+1.2
Amount equivalent to 50% of expected losses in excess of qualifying reserves	(36.2)	-	+36.2
Tier II	2,563.9	2,537.0	(26.9)
o/w:			
Unrealized gains on other securities after 55% discount	254.0	169.3	(84.7)
General reserve for loan losses	69.4	100.0	+30.6
Excess amount of provision	-	21.7	+21.7
Perpetual subordinated debt	427.6	243.0	(184.6)
Dated subordinated debt	1,775.8	1,967.2	+191.4
Deduction	(467.9)	(428.1)	+39.8
Total capital	8,128.2	8,432.9	+304.7
Risk-adjusted assets	54,084.5	50,693.7	(3,390.8)
Capital ratio^{*2}	15.02%	16.63%	+1.61%
Tier I ratio	11.15%	12.47%	+1.32%
Net deferred tax assets	702.1	624.2	(77.9)

Tier I

(1) Consolidated Net income	+JPY 475.9 bn
Dividends	JPY (147.2) bn

Net deferred tax assets / Tier I capital (SMFG consolidated):
9.9% (as of Mar. 2011, decreased by 1.7% compared with Mar. 2010)

Tier II

(2) Redemption of perpetual subordinated debt, etc.	JPY (184.6) bn
(3) Public offering in domestic market	+JPY 150.0 bn
Issuance in overseas market	+EUR 0.75 bn

Risk-adjusted assets

(JPY bn)	Mar. 31, 10	Mar. 31, 11	Change from Mar. 31, 10
(4) Credit risk-adjusted assets	50,518.1	46,418.6	(4,099.5)
Market risk equivalent	448.4	584.0	+135.6
(Ref.) Outlier ratio ^{*3}	6.1%	7.8%	+1.7%
Operational risk equivalent	3,118.0	3,691.1	+573.1
Total	54,084.5	50,693.7	(3,390.8)

Decreased due mainly to improved asset quality and appreciated yen, despite of an increase by consolidation of Cedyne

*1 Acquired and redeemed on Apr. 1, 11 *2 Based on Basel II standard (Credit risk: AIRB, Operational risk: AMA) *3 SMBC consolidated basis

(Appendix 9) SMFG's Capital Policy Going Forward

Tier II Capital

- Refinance by subordinated debts eligible for grandfathering for a while

Additional Tier 1 Capital

- The first call date of current balance of preferred securities will arrive in Jul. 2013. We do not need to refinance for a while
- Keep updated on new regulations/products for future financing

Common Equity Tier 1 Capital

- Secure sufficient level through steady accumulation of retained earnings

Expected features of SMBC's subordinated debt (Tier II Capital) if issued before implementation of Basel III in 2013

1. "Legacy" type subordinated debt

- ✓ No loss absorption mechanisms that are required in Basel III
- ✓ No regulatory call
- ✓ No coupon step-up (if callable)
- ✓ No coupon deferral

2. Limited issuing period

- ✓ Less than two years left until implementation of Basel III after which no "Legacy" type subordinated debt will be issued

and again...

3. Issued by one of Japan's three largest banking groups with the following strengths

- ✓ Limited downside risks
- ✓ Solid Commercial Banking Franchise

(Appendix 10) Recent Issuance of Subordinated Bonds and Ratings

Recent Issuance of Subordinated Bonds of SMBC (All bonds are “Legacy” type bonds)

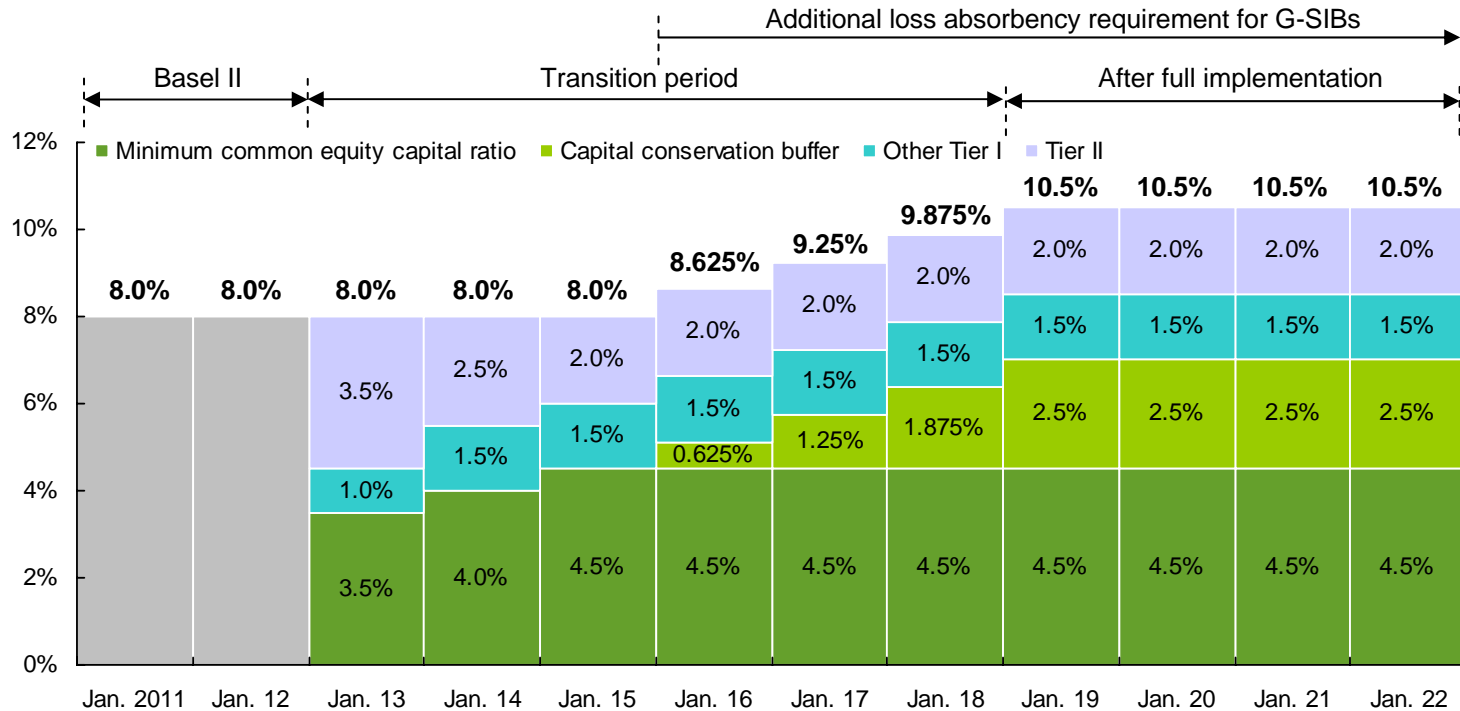
Date	Structure	Size	Coupon	Investors
Sep. 28, 2010	10Y bullet	JPY 100bn	1.43%	Domestic
Nov. 09, 2010	10Y bullet	EUR 750mn	4.00%	Global
Dec. 17, 2010	10Y bullet	JPY 50bn	1.61%	Domestic
Jun. 01, 2011	10Y bullet	JPY 40bn	1.60%	Domestic
Jun. 01, 2011	15Y bullet	JPY 30bn	2.21%	Domestic

Issuer / Long Term and Subordinated Ratings of SMBC

	Issuer/Long Term (outlook)	Subordinated
Moody's	Aa3 (Stable)	A1
S&P	A+ (Stable)	A
Fitch	A (Stable)	A-
R&I	A+ (Positive)	A
JCR	AA- (Positive)	A+

(Appendix 11) Summary of Regulatory Capital Framework

Transitional arrangements for implementing the new standards



Phase-in of deductions from core Tier I*

–	–	–	20%	40%	60%	80%	100%	100%	100%	100%	100%
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Grandfathering of capital instruments that no longer qualify as Other Tier I capital or Tier II capital

100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	–
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* Including amounts exceeding the limit for deferred tax assets, mortgage servicing rights and investment in the common shares of unconsolidated financial institutions

(Appendix 12) Overview of the Medium-term Management Plan

(1) Summary

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

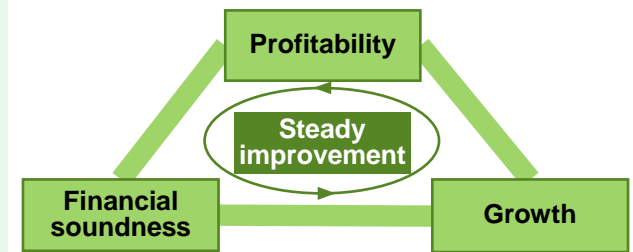
- ✓ Aim for top quality in strategic business areas
- ✓ Establish a solid financial base and corporate infrastructure enough to address the new financial regulations and competitive environment

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%

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

Corporate base

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

(Appendix 13) Overview of the Medium-term Management Plan

(2) Management Targets

Despite severe business environment where “unpredictability,” “uncertainty,” and “unstablensness” persist, we continue to aim to accomplish our basic policy of becoming a globally competitive financial services group through continued diligence in strengthening our portfolio, human resources, and management operations to grow steadily under a new regulatory and competitive environment, while sustaining our basic policy

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.”

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

Business environment

Macroeconomic trends

- Continuing low growth rate in domestic market and yen appreciation
- Continuing high growth rates in emerging markets including Asia
- Risks associated with fiscal deficits in developed countries and inflation in emerging countries

Market trends

- Decreasing financing needs and accelerating global expansion by Japanese firms
- Increasing financial needs in overseas, especially in emerging countries
- Changing individuals practices toward investment and borrowing as a result of an aging population in domestic market

Global regulatory trends

- Implementation of new capital regulations (Basel III)
- Proposals of additional capital requirement for “Systematically Important Financial Institutions”

(Appendix 14) Overview of the Medium-term Management Plan

(3) Financial Targets

In order to address global financial regulations, SMFG places the utmost importance on maintaining and growing steady Net income through the careful consideration of risk, cost, and returns. Moreover, in addition to reinforcing basic domestic business operations, SMFG will focus on capturing profitable opportunities in high growth areas especially in Asia and other overseas markets

Financial Objectives

Aim to achieve 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

Financial targets	
Core Tier I ratio*1	SMFG consolidated
Consolidated net income RORA	SMFG consolidated
Consolidated overhead ratio	SMFG consolidated
Overhead ratio	SMBC non-consolidated
Overseas banking profit ratio*2	Managerial accounting basis

Financial Targets

		FY3/11 Results	FY3/14 Targets
Financial soundness	Core Tier I ratio	slightly less than 6%	approx. 8%
	Consolidated net income RORA	0.8%	approx. 0.8%
Profitability	Consolidated overhead ratio	52.5%	50%-55%
	Overhead ratio	45.6%	45%-50%
Growth	Overseas banking profit ratio	23.3%	approx. 30%

*1 Calculated based on the definition at the time of full implementation of Basel III in 2019; regulatory adjustments are fully deducted from Common Equity Tier I

*2 Proportion of Banking profit generated by International Banking Unit within Marketing units

Targets complementary to financial soundness

Loan-to-deposit ratio:
below 80%

Equity holdings within Tier I capital:
around 25%*3

*3 By Mar. 2013

(Appendix 15) Overview of Major Strategies

We continue to pursue growth through synergies between SMBC and Nikko and global expansion in each strategic business areas

Strategic business areas		Business strategies		
		Global expansion (synergies between domestic and overseas channels)	Synergies between SMBC and SMBC Nikko Securities	Others
1	Financial consulting for Individuals		<ul style="list-style-type: none"> Enhance cross-sell of products and services by redeployment of skillful consultants on a group-wide basis 	<ul style="list-style-type: none"> Enforce marketing strategy to business owners and land owners Promote cross-sell of products, enhance consumer finance business on a group-wide basis with more integrated manner
2	Solution providing for corporations	<ul style="list-style-type: none"> Expand operational integration between SMBC's domestic and overseas offices Continue to develop relationships with multinational companies in the U.S., Europe, and Asia 	<ul style="list-style-type: none"> Provide solution to our clients leveraging commercial banking and investment banking capabilities 	<ul style="list-style-type: none"> Implement an area-specific branch banking approach with robust area strategy by socioeconomic feature
3	Commercial banking in emerging markets, especially in Asia	<ul style="list-style-type: none"> Expand network and presence in emerging markets, allocating capital and human resources to overseas business aggressively Reinforce the global trade finance and infrastructure finance team Formulate a strategy for entering into retail banking business in emerging markets 	<ul style="list-style-type: none"> Enhance collaboration between SMBC and SMBC Nikko Securities in overseas 	
4	Broker-dealer / Investment banking	<ul style="list-style-type: none"> Strengthen SMBC Nikko Securities' capabilities of global offerings and cross-boarder M&As, etc. Enforce marketing capability to leading overseas investors 	<ul style="list-style-type: none"> Develop full-line wholesale investment banking capabilities of SMBC Nikko Securities 	
5	Non-asset business such as Payment & settlement services and Asset management	<ul style="list-style-type: none"> Strengthen payment & settlement services such as CMS in Asia Pursue strategic alliances with overseas asset management firms 	<ul style="list-style-type: none"> Reinforce SMBC's trust banking business through cooperation between SMBC and SMBC Nikko Securities 	<ul style="list-style-type: none"> Promote vertical integration of supply chain within the group for asset management business

(Appendix 16) Global Expansion

Solution providing for corporations

Non-Japanese global corporates

- Continue to develop relationships with multinational companies in the U.S., Europe, and Asia

- Established Global Korea Corporate Banking Dept.

Japanese corporates

- Expand operational integration between SMBC's domestic and overseas offices from Mainland China into all Greater China (including Hong Kong and Taiwan)

- Develop SMBC Nikko Securities' global offering capability

- Increase loans

✓ + JPY 6 tn in overseas
(o/w, + JPY 3.5 tn in Asia)

- Allocate human resources

✓ In overseas business
(+400 people in FY3/12 at SMBC)

- Strengthen corporate infrastructure

✓ Enhancing global capabilities of employees
✓ Improving credit management globally

Overseas banking profit ratio: approx. 30%

Commercial banking in emerging markets, especially in Asia

Gross banking profit in Asia: + 50%
(or + approx. JPY 50 bn, as compared with FY3/11)

Local corporates

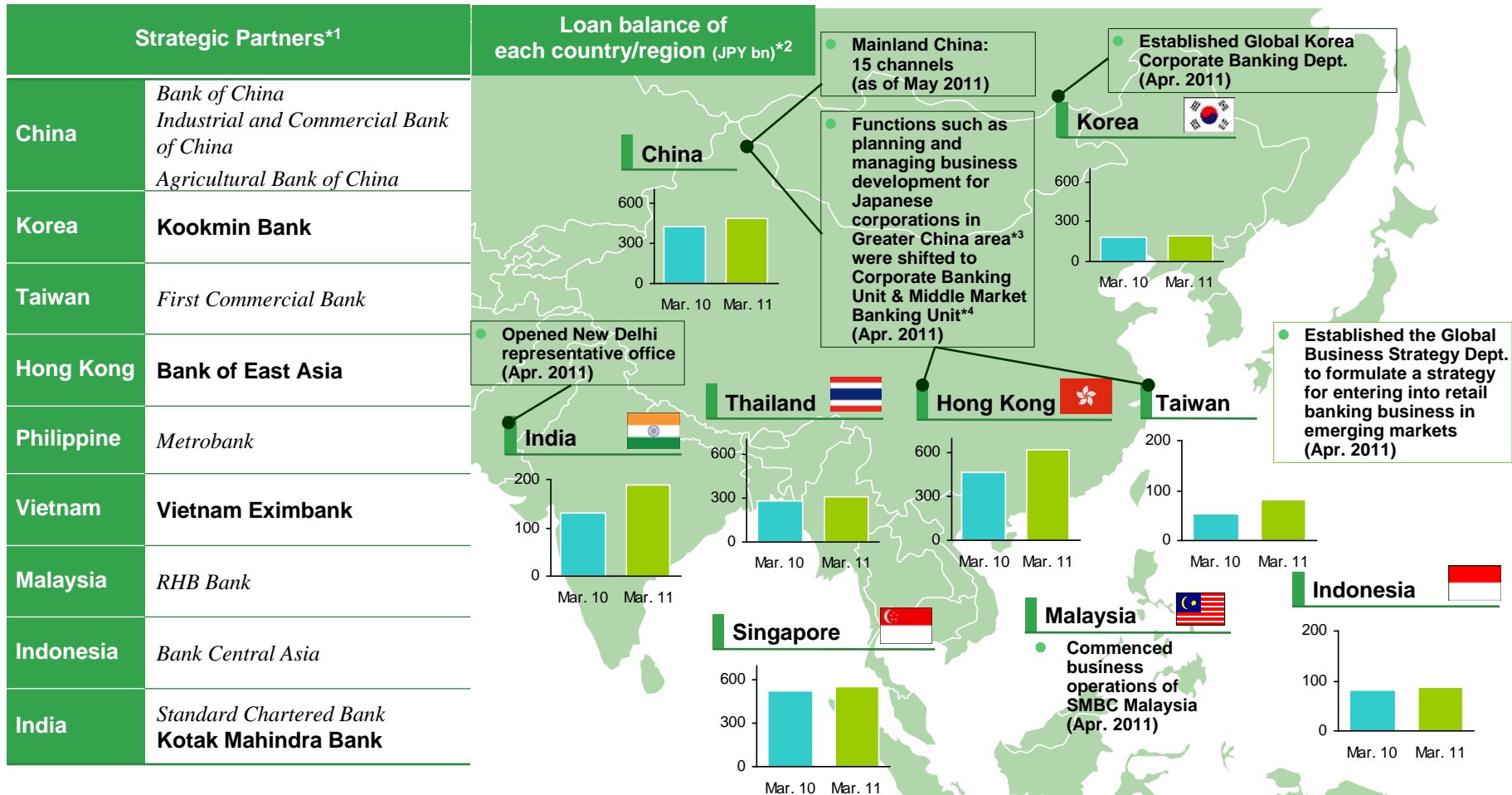
- Reinforce the global trade finance and infrastructure finance team (double the profits from trade finance)
- Strengthen settlement business including Cash Management Services (CMS) (CMS in Asia: become one of the top three global banks)
- Increase channels in emerging countries by 50% (24 channels → approx. 36 channels)
- Set up a special department in charge of strategy in emerging markets

SMEs & Retail

- Established the Global Business Strategy Dept. to formulate a strategy for entering into retail banking business in emerging markets
 - Develop new/existing strategic alliances with leading financial institutions
- Pursue strategic alliances with overseas asset management firms

(Appendix 17) Global Expansion

We aim to capture opportunities resulting from the growth in emerging markets, especially in Asia, by expanding channel network and enhancing our product and service offerings, while leveraging business alliances with leading banks in each market. Moreover, we will formulate a strategy for entering into retail banking business in these markets, making full use of our domestic experience and know-how

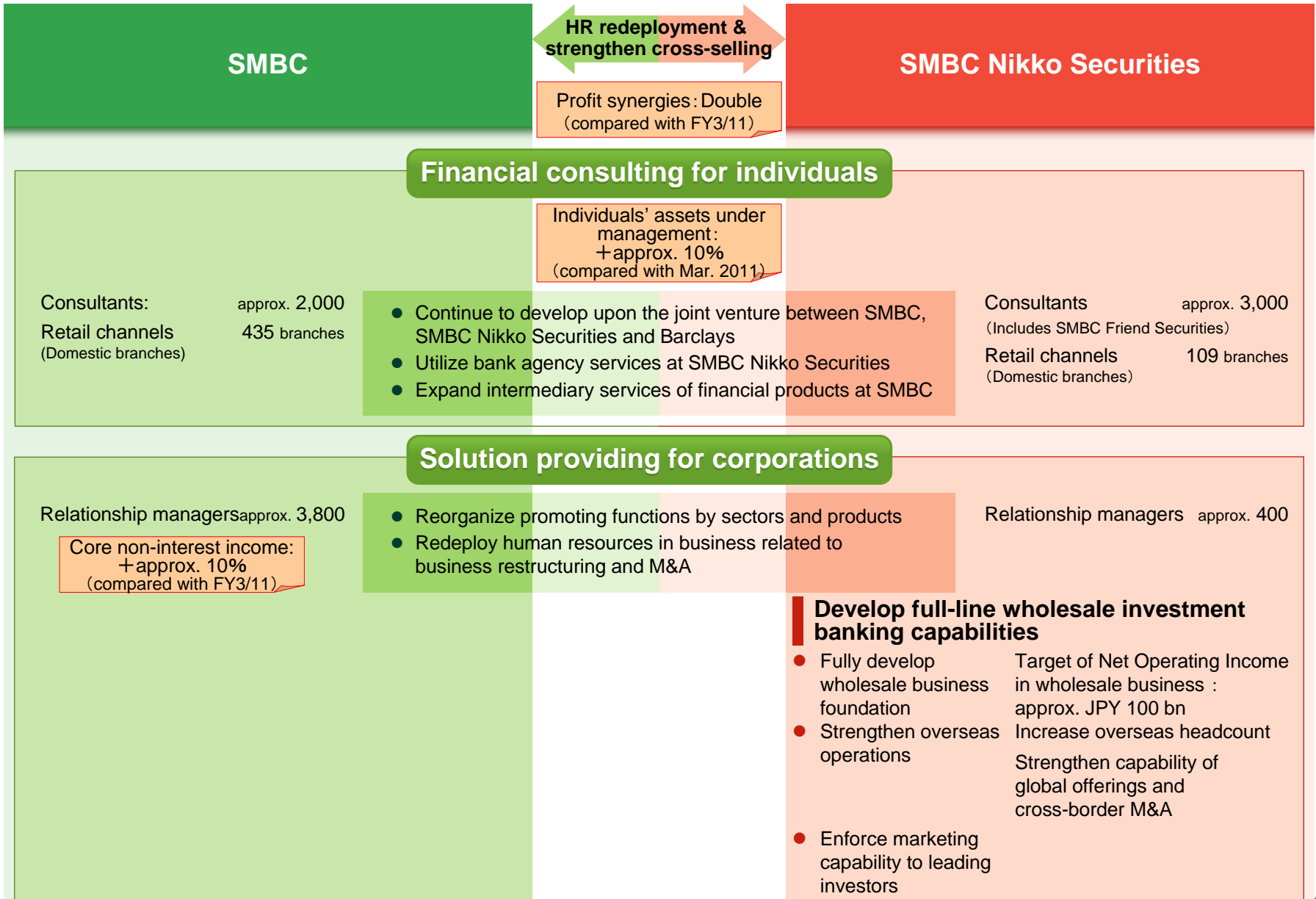


*1 Boldfaced and underlined banks represents ones with SMBC's investment

*2 Bar charts represent loan balance (aggregation by country/region based on domicile of borrowers (not by channels)). Figures of China includes those of SMBC (China). Loan balances as of Mar. 31, 2010 is exchanged to JPY from each country's local currency at the exchange rate of Mar. 31, 2010.

*3 Mainland China, Hong Kong and Taiwan *4 Mainland China in Apr. 2010 and Hong Kong and Taiwan in Apr. 2011

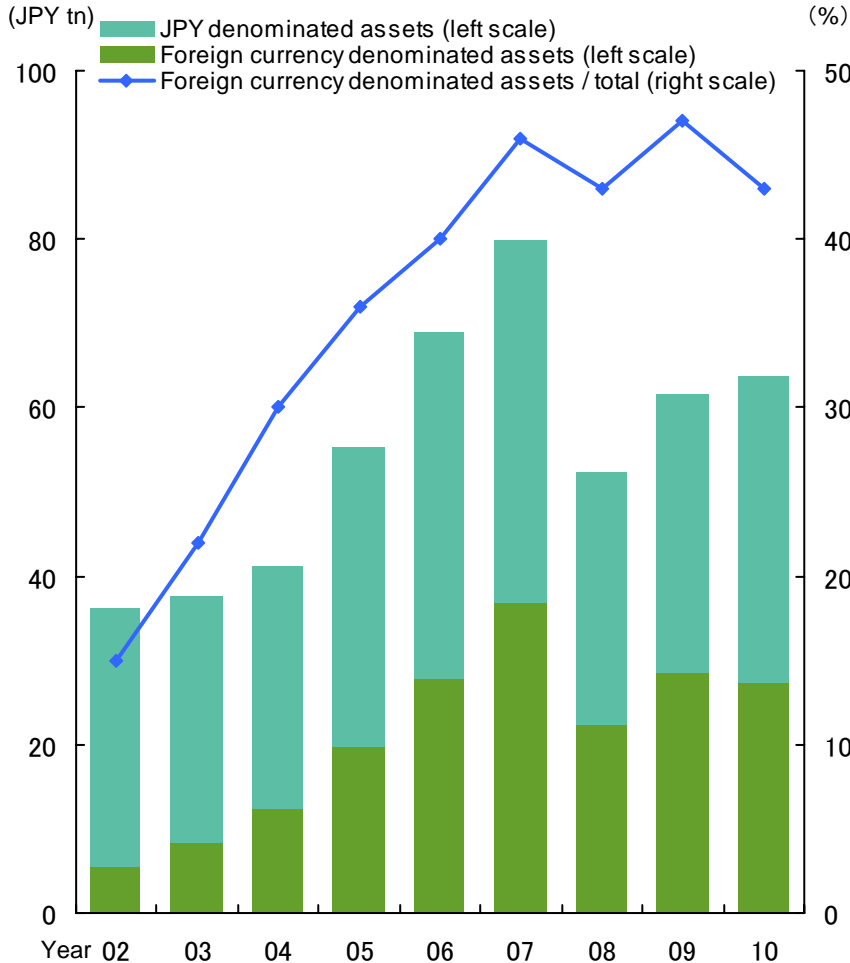
(Appendix 18) Synergies between SMBC and SMBC Nikko Securities



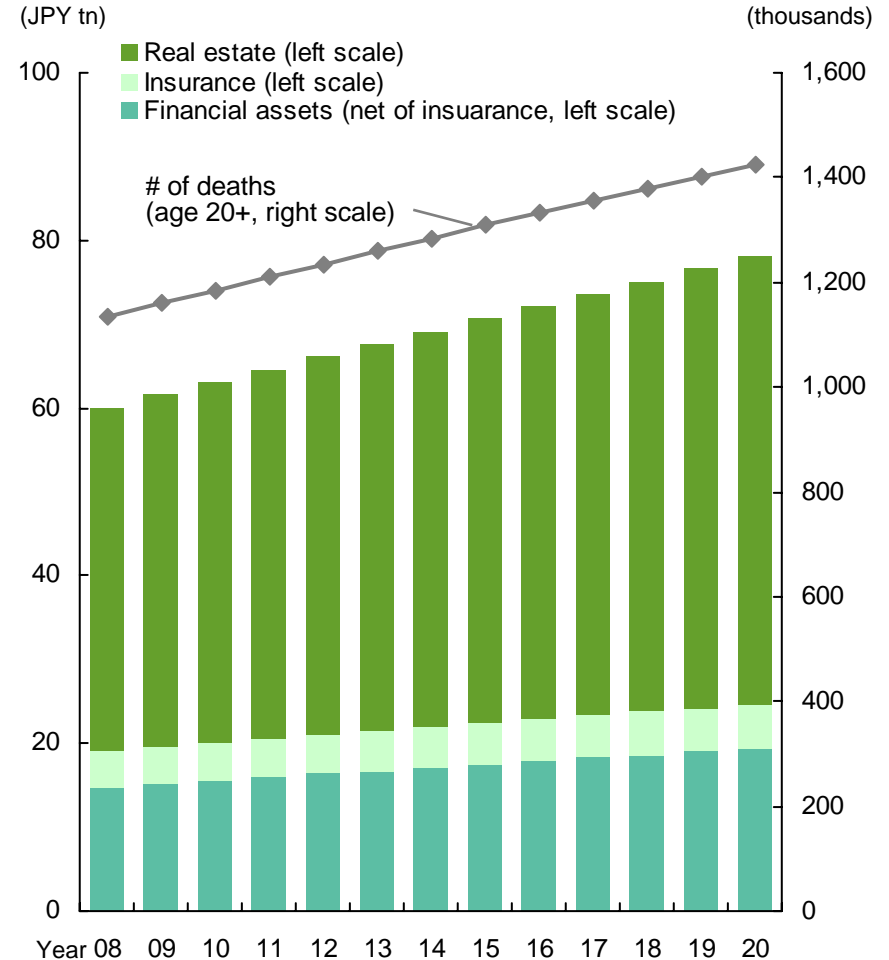
(Appendix 19) Synergies between SMBC and SMBC Nikko Securities - Market Trends

In the domestic market, there remains room for growth

Net assets of investment trusts*1



Outlook for inheritance in Japan*2



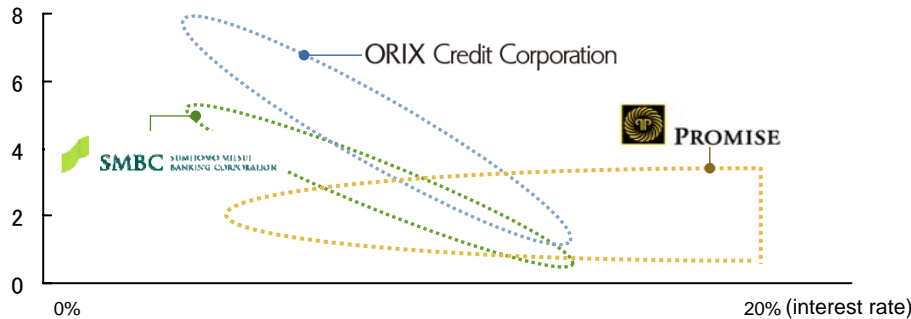
*1 Source: The Investment Trusts Association, Japan *2 Source: Our estimate based on "Vital Statistics" of MHLW and "Family Income and Expenditure Survey" of MIC

(Appendix 20) Consumer Finance Business

We still cautiously monitor the overall situation, although we have begun to see positive signs in some leading indicators. We aim to strengthen the consumer finance business as a part of our retail business lineup that bear stable profit with a relatively thick spread in the medium to long run

Overview of consumer finance business in SMFG (image)

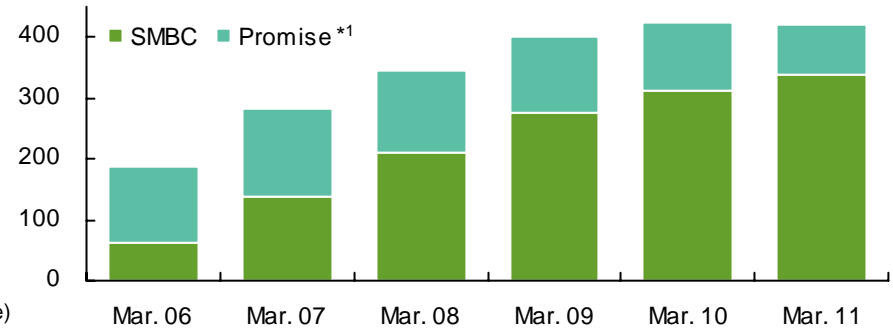
(Clients' borrowing limit, JPY mn)



Collaboration with Promise (balance of loans)

Started in Apr. 05

(JPY bn)

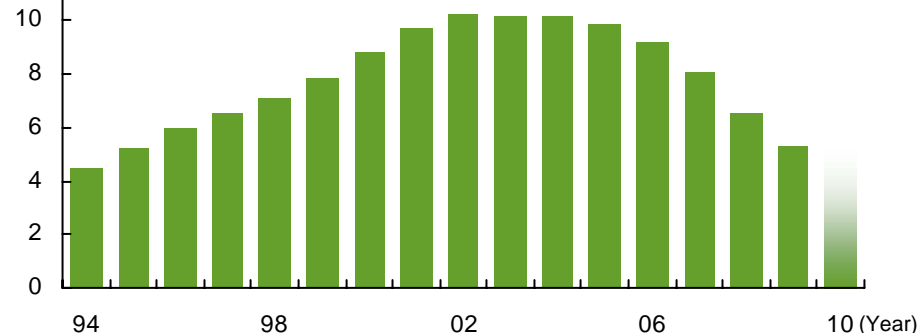


Progress of Promise's Business Structural Reform Plan

Changes to marketing activities and reorganization	<ul style="list-style-type: none"> Created new marketing framework (Jul. 2010) Closed all staffed branches (Oct. 2010), etc.
Structural cost reforms	<ul style="list-style-type: none"> Employee reduction: 2,500 people as compared with Mar. 09 (consolidated), etc.
Review of group strategy	<ul style="list-style-type: none"> Merged with SANYO SHINPAN (Oct. 2010) Sold Pocket Card stocks (Feb. 2011) Merged with At-Loan (Apr. 2011), etc.
Review of marketing strategies	<ul style="list-style-type: none"> Started referral service from SMBC (Oct. 2010) Installed SMBC's ACMs and ATMs in Promise's branches (Oct. 2010) Commenced guarantee business for a part of card loan products of ORIX Credit (Apr. 2011), etc.

Consumer loans provided by monoline consumer companies*2

(JPY tn)



Completed business structural reforms in FY3/2011 and advance to the next stage of progress

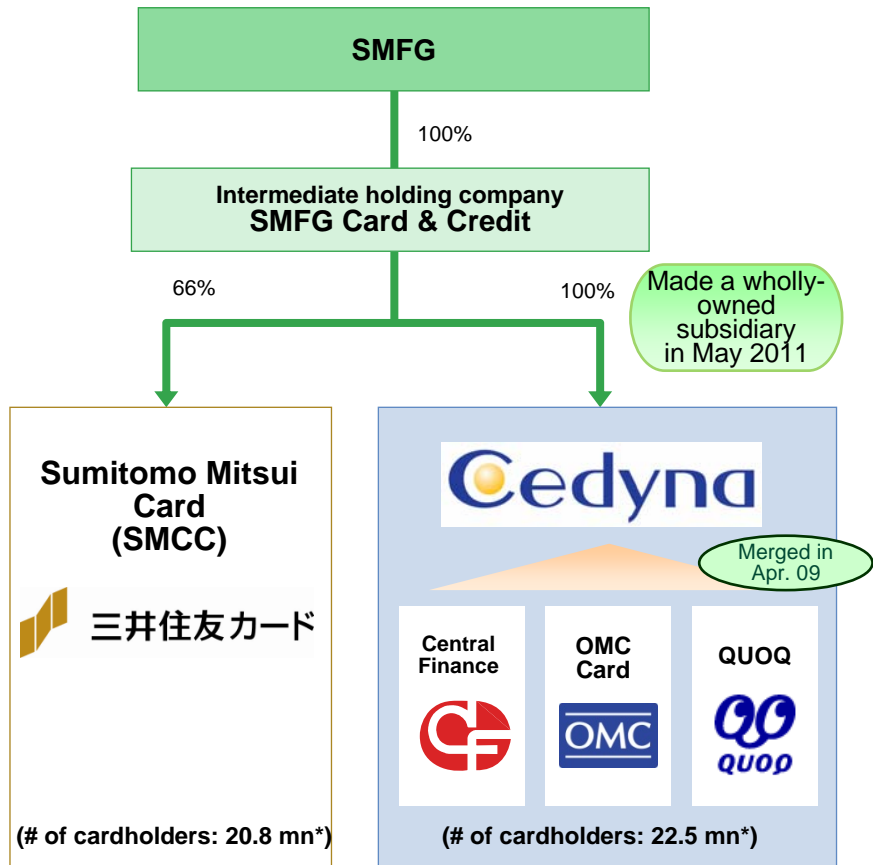
*1 Claims provided by former At-Loan (including loans provided before collaboration). Halted origination in May 31, 10

*2 Source: "Statistics on Japanese Consumer Credit (2010)" by Japan Consumer Industry Association

(Appendix 21) Credit Card Business

To accelerate our group credit card business strategy, we made Cedyne a wholly-owned subsidiary in May 2011. We continue to pursue the maximization of top-line synergies and realization of economies of scale

Organizational structure to promote credit card business



Purpose of making Cedyne a wholly-owned subsidiary



- Organizational structure to promote credit card business
- Accelerate and ensure management restructuring
 - Investments in new businesses (incl. overseas financial business expansion)
 - Investments in systems developments
 - Cost restructuring
- Enhance capital base
 - ✓ Establish a system which allows more timely and flexible decision-making
 - ✓ Possibility of strengthening the financial base and conducting restructuring, etc., among SMFG group members, in the future, depending on further changes in the business environment

【Pursue the maximization of top-line synergies and realization of economies of scale】



- Further enhance collaboration of the on-site business operation bases
- Fortify collaboration in Cedyne's focus areas (e.g. EC market and education market)
- Further strengthen collaboration in areas such as personnel dispatch and exchange



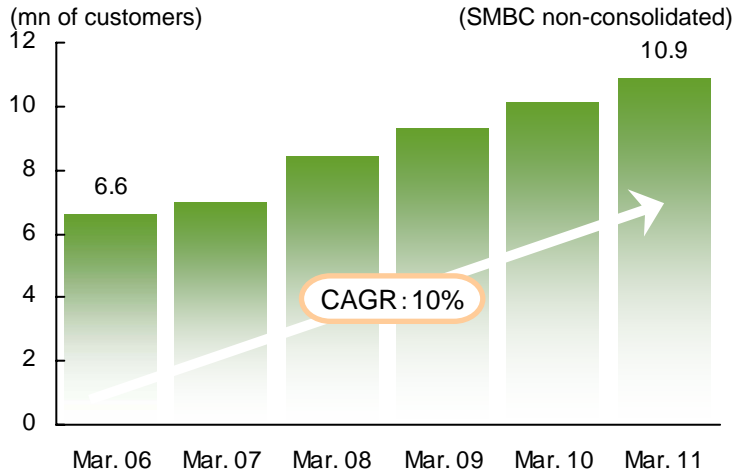
- Conduct specific examination of next-generation systems
- Mutually offer referrals to their business partners according to the needs of client, and make collaboration promotions

* As of Mar. 31, 11

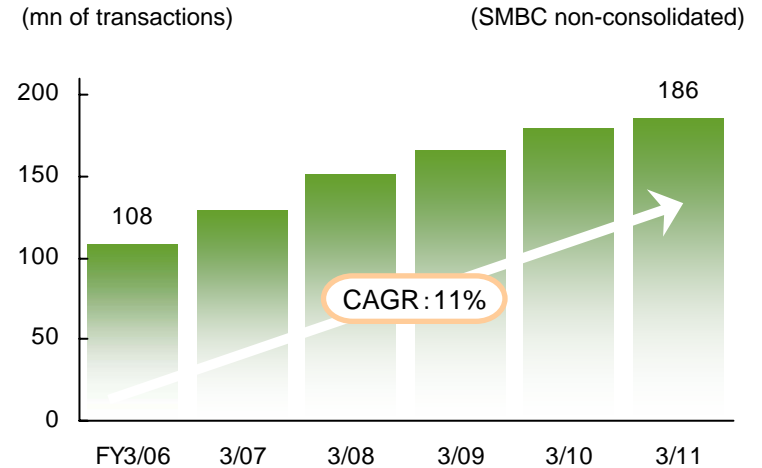
(Appendix 22) Strengthening Earnings Generation Capabilities, Focusing on Commercial Banking Business

We will further enhance “settlement business” as strategic business

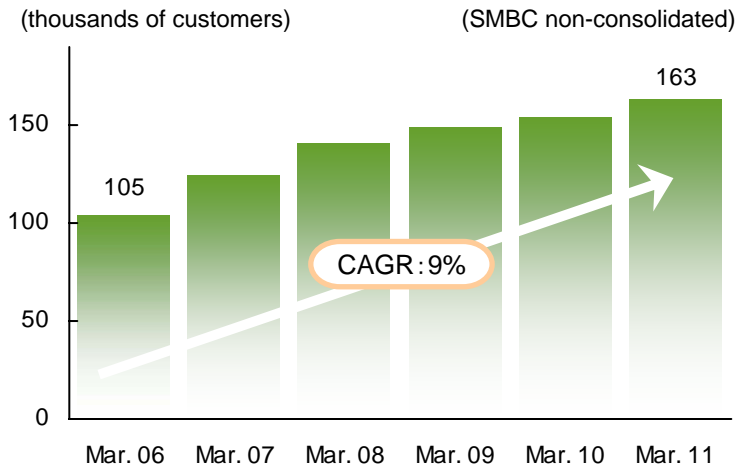
of “SMBC Direct” customers



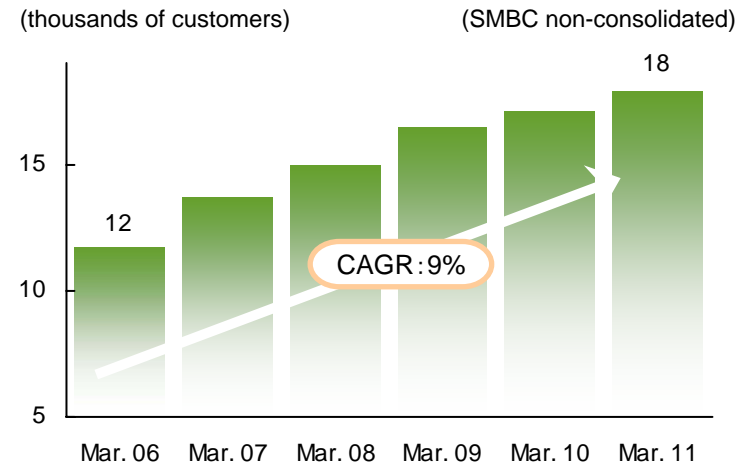
of internet transactions



of PC bank Web21 customers



of Global e-Trade service customers



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.