

**Major Questions and Answers on the Financial Results**  
**for the Nine Months ended December 31, 2008.**

This document contains certain forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may materially differ from those contained in the forward-looking statements as a result of various factors.

The following items are among the factors that could cause actual results to differ materially from the forward-looking statements in this document: business conditions in the banking industry, the regulatory environment, new legislation, competition with other financial services companies, changing technology and evolving banking industry standards and similar matters.

The followings are frequently asked questions and their answers on the financial results for the Nine months ended December 31, 2008, announced on January 28, 2009.

Q1. How would you summarize SMFG's financial results for the nine months ended December 31, 2008?

A1. SMBC's non-consolidated Banking profit before provision of allowance for general loan losses for the first nine months of fiscal 2008 increased JPY 60.8 billion year-on-year to JPY 627.3 billion, which is approximately 78% of the full-year forecast for fiscal 2008 announced last November. SMBC's non-consolidated Net income also increased JPY 33 billion to JPY 120.5 billion, while Loss on devaluation of stocks and Total credit cost were within their expected ranges. On the other hand, SMFG's consolidated Net income was JPY 83.4 billion, approximately JPY 37 billion lower than SMBC's non-consolidated Net income due mainly to poor performances of a part of other subsidiaries and affiliates. Approximately JPY 100 billion of the JPY 236.0 billion year-on-year decrease in SMFG's consolidated Net income was due to an one-off gain recorded in fiscal 2007 from the merger of leasing companies to form Sumitomo Mitsui Finance & Leasing.

Q2. Please explain Net unrealized gains (losses) on securities.

A2. SMBC's non-consolidated Net unrealized gains on stocks of available-for-sale securities, measured based on one-month average values of the relevant term-end, were JPY 149.3 billion, despite the decline in the Nikkei Stock Average from 11,260 yen as of September 30, 2008 to 8,860 yen as of December 31, 2008. SMBC's non-consolidated Net unrealized gains on the entire portfolio of available-for-sale securities, including Bonds and Other money held in trust, were JPY 59.1 billion.

Q3. What was the reason for the change in loan balance?

A3. SMBC's non-consolidated Total loan balance as of December 31, 2008 was JPY 61,152.7 billion, increased by approximately JPY 2.6 trillion compared with September 30, 2008. This was mainly due to an increase in domestic loans (excluding offshore banking account) by approximately JPY 3.4 trillion, while overseas loans (including offshore banking account) decreased by approximately JPY 760 billion. In the domestic market, the loan balance of the Corporate Banking Unit increased by approximately JPY 1.9 trillion in response to the increasing needs of large corporate clients for bank loans prompted by depressed capital markets, and the loan balance of the Middle Market Banking Unit increased by approximately JPY 500 billion, compared with September 30, 2008, through proactive initiatives to smoothly provide financing to SMEs.

In overseas markets, amid the sudden and substantial downturn of the global economy, we have become more conservative in our lending policy. We will continue to carefully examine risk-return profile of each loan transaction while maintaining our stringent risk management policy.

Q4. Please explain Total credit cost.

A4. SMBC's non-consolidated Total credit cost for the first nine months of fiscal 2008 was JPY 276.6 billion, which is approximately 75% of the full-year forecast for fiscal 2008 announced last November (i.e. JPY 370 billion), almost in line with our forecast. The balance of problem assets based on the Financial Reconstruction Law as of December 31, 2008 decreased by JPY 57.9 billion compared with September 30, 2008 to JPY 1,019.0 billion. As a result, the problem asset ratio as of December 31, 2008 also decreased by 0.13% compared with September 30, 2008 to 1.49%.

Q5. Please explain your exposure to securitized products, etc.

A5. As of December 31, 2008, the net balance of securitized products after provisions and write-offs on a SMFG consolidated basis was JPY 0.6 billion for sub-prime related and approximately JPY 36 billion for other securitized products (excluding RMBS issued/guaranteed by government sponsored enterprises, etc.). The amount of loss on securitized products for the nine months ended December 31, 2008 was JPY 3.0 billion for sub-prime related and JPY 3.1 billion for other securitized products.