



Sumitomo Mitsui Financial Group, Inc. (SMFG)

Consolidated Financial Results for the Nine Months ended December 31, 2009



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Stock Exchange Listings: Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange (code: 8316)

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(Note) Amounts less than one million yen have been omitted.

1. Financial Results (for the nine months ended December 31, 2009)

(1) Operating Results

(Millions of yen, except per share data and percentages)

	Ordinary Income	Ordinary Profit	Net Income
Nine Months ended December 31, 2009	¥ 2,340,100 (17.3) %	¥ 448,008 62.1 %	¥ 247,835 197.0 %
Nine Months ended December 31, 2008	2,829,112 —	276,373 —	83,435 —

	Net Income Per Share	Net Income Per Share (Diluted)
Nine Months ended December 31, 2009	¥ 255.55	¥ 249.32
Nine Months ended December 31, 2008	10,111.31	9,965.83

Note: Percentages shown in Ordinary Income, Ordinary Profit and Net Income are the increase (decrease) from the previous fiscal year.

(2) Financial Position

(Millions of yen, except per share data and percentages)

	Total Assets	Net Assets	Net Assets Ratio	Net Assets per Share
December 31, 2009	¥ 119,926,945	¥ 6,050,816	3.2 %	¥ 3,509.65
March 31, 2009	119,637,224	4,611,764	2.1	2,790.27

Notes: 1. Stockholders' equity as of December 31, 2009: ¥3,822,135 million as of March 31, 2009: ¥2,469,788 million
2. Net assets ratio = {(Net assets – Stock acquisition right – Minority interests) / Total assets} X 100

2. Dividends on Common Stock per Share

(Yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
Fiscal Year ended March 31, 2009	¥ —	¥ 7,000	¥ —	¥ 20	¥ —
Fiscal Year ending March 31, 2010	—	45	—		
Fiscal Year ending March 31, 2010 (Forecast)				45	90

Notes: 1. Dividend forecast remains unchanged.

2. Dividends on unlisted preferred stocks are reported on page 2.

3. Earnings Forecast (for the fiscal year ending March 31, 2010)

(Millions of yen, except per share data and percentages)

	Ordinary Income	Ordinary Profit	Net Income	Net Income Per Share
Fiscal Year ending March 31, 2010	¥ 3,100,000 (12.7)%	¥ 490,000 981.4%	¥ 220,000 —	¥ 199.72

Notes: 1. Earnings forecast remains unchanged.

2. Percentages shown in Ordinary Income, Ordinary Profit and Net Income are the increase (decrease) from the previous fiscal year.

4. Other Information

(1) Changes in material consolidated subsidiaries in the nine months ended December 31, 2009

SMFG Preferred Capital JPY 3 Limited etc. has been newly consolidated. For more details, please refer to page 4.

(2) Simplified accounting methods and particular accounting methods for preparing quarterly consolidated financial statements have been applied. For more details, please refer to page 4.

(3) There was no change in accounting principles, procedures and presentation when preparing quarterly consolidated financial statements.

(4) Number of Shares Issued (common stock)

	As of December 31, 2009	As of March 31, 2009
(a) Number of shares issued (including treasury shares)	1,017,711,777 shares	789,080,477 shares
(b) Number of treasury shares	17,061,420 shares	17,028,466 shares
	Nine Months ended December 31, 2009	Nine Months ended December 31, 2008
(c) Average number of shares issued in the period	948,862,150 shares	7,722,412 shares

[Dividends Information]

Dividends on Preferred Stock per Share

(Yen)

		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
Preferred stock (Type 4)	Fiscal Year ended March 31, 2009	¥ —	¥ 67,500	¥ —	¥ 67,500	¥ 135,00
	Fiscal Year ending March 31, 2010	—	67,500	—	—	67,500
	Fiscal Year ending March 31, 2010 (Forecast)	—	—	—	—	—
Preferred stock (Type 6)	Fiscal Year ended March 31, 2009	—	44,250	—	44,250	88,500
	Fiscal Year ending March 31, 2010	—	44,250	—	—	88,500
	Fiscal Year ending March 31, 2010 (Forecast)	—	—	—	44,250	—

<Reference> Calculation for Index

- Net Income per Share (Forecast):

$$\frac{\text{Forecasted net income} - \text{Forecasted preferred stock dividends}}{\text{Forecasted average number of common stocks during the period (excluding treasury stock)}}$$

(Note) The number of shares of common stock is expected to increase 396,343,200 due to public offering of new shares on January 27, 2010, conversion of preferred stock type 4 to common stock on January 28, 2010 and third party allotment of new shares on February 10, 2010. Accordingly, net income per share for the fiscal year ending March 31, 2010 was calculated assuming that the forecasted average number of common stock during the period (excluding treasury stock) is 1,059,228,334.

[Retroactive Adjustment for Stock Split]

SMFG implemented a 100 for 1 stock split of common stock on January 4, 2009. If the stock split had been implemented at the beginning of the previous fiscal year, dividends on common stock per share and other per share information would be as follows.

(Yen)

	Dividends on Common Stock Per Share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
Year ended March 31, 2009	¥ —	¥ 70	¥ —	¥ 20	¥ 90

	Net income Per Share	Net Income Per share (Diluted)
Nine months ended December 31, 2008	¥ 101.11	¥ 99.66

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.

Sumitomo Mitsui Financial Group (“SMFG”) reports the financial results for the nine months ended December 31, 2009.

1. Operating Results

In the nine months ended December 31, 2009, SMFG recorded consolidated gross profit of ¥1,640.7 billion, almost the same as a year earlier. Sumitomo Mitsui Banking Corporation (“SMBC”), a major consolidated subsidiary of SMFG, posted a year-over-year decrease in gross banking profit of ¥78.2 billion due mainly to a decrease in fees and commissions on foreign exchanges from the economic slowdown, partially offset by an increase in interest income. However, the addition of two new consolidated subsidiaries, Nikko Cordial Securities Inc. and ORIX Credit Corporation, helped to offset the decline at SMBC.

General and administrative expenses increased ¥45.8 billion year on year to ¥838.3 billion due mainly to an increase in the number of consolidated subsidiaries. SMBC, however, decreased expenses ¥11.4 billion to ¥513.5 billion on a non-consolidated basis through more aggressive cost-cutting measures.

Total credit cost decreased ¥79.9 billion year on year to ¥319.5 billion on a consolidated basis, mainly attributable to a decrease of ¥96.0 billion recorded by SMBC resulting from the government’s economic stimulus package, measures tailored to borrowers’ business and financial conditions, and improvement in overseas markets. Losses on stocks were ¥14.7 billion, an improvement of ¥91.4 billion year on year, mainly because SMBC recorded gains on sale of stocks of ¥43.4 billion on a non-consolidated basis and write-down of stocks decreased due to a rise in stock markets.

As a result of the factors mentioned above, on a consolidated basis, SMFG recorded ordinary profit of ¥448.0 billion, a year-on-year increase of ¥171.6 billion, and net income of ¥247.8 billion, a year-on-year increase of ¥164.4 billion.

<Consolidated>

	Nine months ended December 31, 2009	Change from the nine months ended December 31, 2008	(Billions of yen) Fiscal year ended March 31, 2009 (reference)
Gross profit	¥ 1,640.7	¥ 8.0	¥ 2,165.9
General and administrative expenses	(838.3)	(45.8)	(1,063.4)
Total credit cost	(319.5)	79.9	(767.8)
Gains (losses) on stocks	(14.7)	91.4	(183.7)
Ordinary profit	448.0	171.6	45.3
Net income (loss)	247.8	164.4	(373.5)

<SMBC, Non-consolidated>

Gross banking profit	¥ 1,074.0	¥ (78.2)	¥ 1,524.9
Expenses (excluding non-recurring losses)	(513.5)	11.4	(701.5)
Banking profit (*)	560.5	(66.8)	823.4
Gains (losses) on bonds	39.8	(1.7)	26.1
Total credit cost	(180.6)	96.0	(550.1)
Gains (losses) on stocks	(0.3)	106.3	(220.4)
Ordinary profit	330.1	107.0	36.1
Net income (loss)	249.9	129.4	(301.1)

(*) Banking profit (before provision for general reserve for possible loan losses)

2. Financial Position

On a consolidated basis, SMFG's total assets as of December 31, 2009 increased ¥289.7 billion to ¥119,926.9 billion, compared with March 31, 2009. Net assets increased ¥1,439.1 billion to ¥6,050.8 billion. Stockholders' equity increased ¥1,042.2 billion to ¥3,641.3 billion as a result of the issuance of new shares in June and July and recording of net income.

On a consolidated basis, deposits increased ¥1,665.3 billion to ¥77,234.8 billion from March 31, 2009. Loans and bills discounted decreased ¥940.2 billion to ¥64,195.1 billion mainly because SMBC, on a non-consolidated basis, recorded a decrease in its overseas loan balance due mainly to a cautious stance on asset operations overseas though it recorded an increase in its domestic loan balance.

On a consolidated basis, problem assets (non-performing loans as defined under the Financial Reconstruction Law) increased ¥52.1 billion to ¥1,705.3 billion from March 31, 2009. Problem asset ratio remained at a low level of 2.39%, an increase of 0.11% from March 31, 2009.

3. Earnings Forecasts

Net income for the nine months was approximately 113% of the forecast for the full year ending March 31, 2010 (fiscal 2009) announced on November 13, 2009. This was mainly because SMBC showed a good performance due principally to a decrease in total credit cost. However, SMFG does not revise the earnings forecast for the full year of fiscal 2009 because it is necessary to ascertain economic and other trends moving forward.

4. Other

(1) Changes in material subsidiaries

The details of change in material subsidiary in the nine months are as follows:

Name	Address	Capital (*)	Business	Percentage of Voting Rights
SMFG Preferred Capital JPY 3 Limited	Cayman Islands	¥392,900 million	Other business (Finance)	100%

(*) Amount less than one million yen has been omitted.

(2) Simplified accounting methods and particular accounting methods for preparing quarterly consolidated financial statements

(a) Depreciation

Depreciation cost on tangible fixed assets which are depreciated using the straight-line method has been calculated by proportionally allocating the estimated annual cost to the nine months ended December 31, 2009.

(b) Tax Effect Accounting

On the premise that transfer to and from the reserve for losses on overseas investments will be conducted through appropriation of retained earnings at this fiscal year-end of consolidated domestic subsidiaries, current and deferred income taxes are recorded in the amount corresponding to the nine months ended December 31, 2009.

5. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

	(Millions of yen)	
	December 31, 2009	March 31, 2009 (condensed)
Assets:		
Cash and due from banks	¥ 6,080,527	¥ 5,241,694
Call loans and bills bought	1,034,425	633,655
Receivables under resale agreements	18,248	10,487
Receivables under securities borrowing transactions	2,699,753	1,820,228
Monetary claims bought	1,001,212	1,024,050
Trading assets	7,340,708	4,924,961
Money held in trust	18,174	8,985
Securities	25,572,815	28,698,164
Loans and bills discounted	64,195,080	65,135,319
Foreign exchanges	1,004,098	885,082
Lease receivables and investment assets	1,860,597	1,968,347
Other assets	3,990,675	4,257,251
Tangible fixed assets	1,053,791	1,008,801
Intangible fixed assets	607,968	361,884
Deferred tax assets	809,342	857,658
Customers' liabilities for acceptances and guarantees	3,703,783	3,878,504
Reserve for possible loan losses	(1,064,257)	(1,077,852)
Total assets	¥119,926,945	¥119,637,224
Liabilities:		
Deposits	¥ 77,234,811	¥ 75,569,497
Negotiable certificates of deposit	8,242,572	7,461,284
Call money and bills sold	2,649,058	2,499,113
Payables under repurchase agreements	1,650,692	778,993
Payables under securities lending transactions	2,393,815	7,589,283
Commercial paper	183,647	—
Trading liabilities	4,894,878	3,597,658
Borrowed money	4,658,708	4,644,699
Foreign exchanges	258,227	281,145
Short-term bonds	1,206,969	1,019,342
Bonds	3,631,462	3,683,483
Due to trust account	137,632	60,918
Other liabilities	2,878,804	3,803,046
Reserve for employee bonuses	17,989	27,659
Reserve for executive bonuses	—	513
Reserve for employee retirement benefits	40,922	35,643
Reserve for executive retirement benefits	7,815	7,965
Reserve for reimbursement of deposits	8,662	11,767
Reserves under the special laws	372	432
Deferred tax liabilities	28,331	27,287
Deferred tax liabilities for land revaluation	46,970	47,217
Acceptances and guarantees	3,703,783	3,878,504
Total liabilities	113,876,129	115,025,460
Net assets:		
Capital stock	1,851,389	1,420,877
Capital surplus	485,720	57,245
Retained earnings	1,428,278	1,245,085
Treasury stock	(124,052)	(124,024)
Stockholders' equity	3,641,335	2,599,183
Net unrealized gains (losses) on other securities	270,378	(14,649)
Net deferred losses on hedges	(18,303)	(20,835)
Land revaluation excess	34,969	35,159
Foreign currency translation adjustments	(106,244)	(129,068)
Valuation and translation adjustments	180,800	(129,394)
Stock acquisition rights	78	66
Minority interests	2,228,602	2,141,908
Total net assets	6,050,816	4,611,764
Total liabilities and net assets	¥119,926,945	¥119,637,224

(2) Consolidated Statements of Income

Nine months ended December 31,	(Millions of yen)	
	2008	2009
Ordinary income	¥ 2,829,112	¥ 2,340,100
Interest income	1,590,265	1,273,994
Interest on loans and discounts	1,168,595	971,566
Interest and dividends on securities	228,479	187,397
Trust fees	1,849	1,255
Fees and commissions	502,983	521,574
Trading income	277,288	149,532
Other ordinary income	437,591	342,343
Other income	19,133	51,399
Ordinary expenses	2,552,739	1,892,091
Interest expenses	616,955	247,079
Interest on deposits	273,039	114,668
Fees and commissions payments	91,630	93,753
Other ordinary expenses	468,711	307,162
General and administrative expenses	792,474	838,272
Other expenses	582,967	405,823
Ordinary profit	276,373	448,008
Extraordinary income	2,944	11,162
Extraordinary loss	9,180	10,950
Income before income taxes	270,136	448,219
Income taxes-current	59,460	79,241
Income taxes-deferred	65,764	31,631
Income taxes	125,224	110,873
Minority interests in net income	61,476	89,510
Net income	¥ 83,435	¥ 247,835

(3) Note on the Assumption as a Going Concern

Not applicable.

(4) Segment Information

Nine months ended December 31, 2008						(Millions of yen)
	Banking business	Leasing business	Other business	Total	Elimination	Consolidated
Ordinary income						
(1) External customers	¥ 2,232,600	¥ 254,095	¥ 342,417	¥ 2,829,112	¥ —	¥ 2,829,112
(2) Intersegment	52,464	3,412	200,159	256,036	(256,036)	—
Total	2,285,064	257,507	542,577	3,085,149	(256,036)	2,829,112
Ordinary profit	¥ 244,487	¥ 29,742	¥ 50,849	¥ 325,080	¥ (48,706)	¥ 276,373

Nine months ended December 31, 2009						(Millions of yen)
	Banking business	Leasing business	Other business	Total	Elimination	Consolidated
Ordinary income						
(1) External customers	¥ 1,722,306	¥ 231,654	¥ 386,139	¥ 2,340,100	¥ —	¥ 2,340,100
(2) Intersegment	37,741	5,304	186,755	229,801	(229,801)	—
Total	1,760,048	236,959	572,894	2,569,902	(229,801)	2,340,100
Ordinary profit	¥ 363,414	¥ 32,769	¥ 102,411	¥ 498,594	¥ (50,585)	¥ 448,008

(Notes)

1. The business segmentation is classified based on SMFG's internal administrative purpose.

Ordinary income and ordinary profit are presented as counterparts of sales and operating profit of companies in other industries.

2. "Other business" includes securities, credit card business, investment banking, loans, venture capital, system development and information processing.

(5) Material Changes in Stockholders' Equity

Nine months ended December 31, 2009						(Millions of yen)
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Stockholders' equity	
Balance at March 31, 2009	¥ 1,420,877	¥ 57,245	¥ 1,245,085	¥ (124,024)	¥ 2,599,183	
Changes in the period:						
Issuance of new shares (Note)	430,512	434,900			865,413	
Cash dividends			(71,174)		(71,174)	
Net income			247,835		247,835	
Purchase of treasury stock				(158)	(158)	
Disposal of treasury stock		(92)		130	38	
Increase due to increase in subsidiaries			8		8	
Increase due to decrease in subsidiaries			1		1	
Decrease due to increase in subsidiaries			(6)		(6)	
Decrease due to decrease in subsidiaries			(0)		(0)	
Increase due to decrease in affiliates			6,333		6,333	
Decrease due to decrease in affiliates		(6,333)			(6,333)	
Reversal of land revaluation excess			194		194	
Net changes in the period	430,512	428,474	183,192	(28)	1,042,152	
Balance at December 31, 2009	¥ 1,851,389	¥ 485,720	¥ 1,428,278	¥ (124,052)	¥ 3,641,335	

(Note)

"Capital stock" increased ¥430,512 million and "Capital surplus" increased ¥434,900 million due to the issuance of new shares by way of public offering on June 22, 2009 and third-party allotment on July 27, 2009.

Financial Results

for the Nine Months

ended December 31, 2009

- Supplementary Information -

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Capital ratio as of December 31, 2009 will be announced when it is fixed.

1. Operating Results <Consolidated>

(Millions of yen)

<Reference>

		Nine months ended December 31, 2009	Change	Nine months ended December 31, 2008	Year ended March 31, 2009
Consolidated gross profit	1	1,640,705	8,023	1,632,682	2,165,880
Net interest income	2	1,026,915	53,605	973,310	1,338,453
Trust fees	3	1,255	(594)	1,849	2,122
Net fees and commissions	4	427,820	16,468	411,352	557,178
Net trading income	5	149,532	(127,756)	277,288	211,738
Net other operating income	6	35,181	66,300	(31,119)	56,386
General and administrative expenses	7	(838,272)	(45,798)	(792,474)	(1,063,419)
Credit costs	8	(320,236)	80,417	(400,653)	(769,484)
Write-off of loans	9	(127,229)	97,184	(224,413)	(302,353)
Provision for specific reserve for possible loan losses	10	(162,327)	(3,595)	(158,732)	(297,400)
Provision for general reserve for possible loan losses	11	25,443	15,647	9,796	(104,145)
Other credit cost	12	(56,123)	(28,820)	(27,303)	(65,585)
Gains (losses) on stocks	13	(14,721)	91,382	(106,103)	(183,677)
Equity in earnings (losses) of affiliates	14	(5,160)	41,404	(46,564)	(94,876)
Other income (expenses)	15	(14,305)	(3,792)	(10,513)	(9,111)
Ordinary profit	16	448,008	171,635	276,373	45,311
Extraordinary gains (losses)	17	211	6,447	(6,236)	(15,815)
Losses on impairment of fixed assets	18	(8,622)	(2,229)	(6,393)	(7,363)
Recoveries of written-off claims	19	775	(492)	1,267	1,708
Income before income taxes and minority interests	20	448,219	178,083	270,136	29,495
Income taxes-current	21	(79,241)	(19,781)	(59,460)	(72,238)
Income taxes-deferred	22	(31,631)	34,133	(65,764)	(262,405)
Minority interests in income	23	(89,510)	(28,034)	(61,476)	(68,308)
Net income	24	247,835	164,400	83,435	(373,456)

(Notes)

- Amounts less than one million yen have been omitted. Figures in parenthesis indicate the amount of loss or decrease.
- Consolidated gross profit = (Interest income - Interest expenses) + Trust fees + (Fees and commissions - Fees and commissions payments) + (Trading income - Trading losses) + (Other ordinary income - Other ordinary expenses)

Total credit cost (8)+(19)	25	(319,461)	79,924	(399,385)	(767,775)
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<Reference>

(Billions of yen)

Consolidated net business profit	26	658.6	27.1	631.5	728.7
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(Note) Consolidated net business profit = (SMBC Non-consolidated banking profit (before provision for general reserve for possible loan losses))

- + (Other consolidated subsidiaries' ordinary profit (excluding non-recurring items) + (Affiliates' ordinary profit) X (Ownership ratio))
- (Internal transaction (dividends, etc.))

(Number of consolidated subsidiaries and equity method affiliates)

<Reference>

		Dec. 31, 2009	Change	Mar. 31, 2009	Sept. 30, 2009
Consolidated subsidiaries	27	311	23	288	293
Equity method affiliates	28	60	(19)	79	80

2. Operating Results <SMBC Nonconsolidated>

(Millions of yen)

<Reference>

		Nine months ended December 31, 2009	Change	Nine months ended December 31, 2008	Year ended March 31, 2009
Gross banking profit	1	1,073,994	(78,255)	1,152,249	1,524,856
<i>Excluding gains (losses) on bonds</i>	2	1,034,165	(76,588)	1,110,753	1,498,728
Net interest income	3	776,168	36,194	739,974	1,018,389
Trust fees	4	1,227	(589)	1,816	2,074
Net fees and commissions	5	200,009	(10,307)	210,316	293,824
Net trading income	6	93,528	(160,008)	253,536	175,038
Net other operating income	7	3,060	56,455	(53,395)	35,530
<i>Gains (losses) on bonds</i>	8	39,829	(1,666)	41,495	26,128
Expenses (excluding non-recurring losses)	9	(513,447)	11,456	(524,903)	(701,479)
Personnel expenses	10	(185,818)	(8,204)	(177,614)	(236,966)
Non-personnel expenses	11	(300,449)	18,749	(319,198)	(426,231)
Taxes	12	(27,179)	912	(28,091)	(38,282)
Banking profit (before provision for general reserve for possible loan losses)	13	560,547	(66,798)	627,345	823,377
<i>Excluding gains (losses) on bonds</i>	14	520,718	(65,132)	585,850	797,248
Provision for general reserve for possible loan losses	15	39,434	15,801	23,633	(75,730)
Banking profit	16	599,982	(50,996)	650,978	747,647
Non-recurring gains (losses)	17	(269,872)	158,055	(427,927)	(711,591)
Credit costs	18	(220,083)	80,152	(300,235)	(474,358)
Gains (losses) on stocks	19	(271)	106,332	(106,603)	(220,429)
Gains on sale of stocks and other securities	20	43,396	37,088	6,308	7,066
Losses on sale of stocks and other securities	21	(392)	3,425	(3,817)	(4,348)
Losses on devaluation of stocks and other securities	22	(43,275)	65,820	(109,095)	(223,147)
Other non-recurring gains (losses)	23	(49,517)	(28,429)	(21,088)	(16,803)
Ordinary profit	24	330,109	107,058	223,051	36,055
Extraordinary gains (losses)	25	(8,939)	(2,060)	(6,879)	(8,269)
Gains (losses) on disposal of fixed assets	26	(1,165)	(281)	(884)	(2,139)
Losses on impairment of fixed assets	27	(7,850)	(1,847)	(6,003)	(6,138)
Recoveries of written-off claims	28	76	68	8	8
Income before income taxes	29	321,170	104,999	216,171	27,786
Income taxes-current	30	(29,993)	(15,368)	(14,625)	(23,748)
Income taxes-deferred	31	(41,298)	39,700	(80,998)	(305,154)
Net income (loss)	32	249,878	129,332	120,546	(301,116)
Total credit cost (15)+(18)+(28)	33	(180,573)	96,021	(276,594)	(550,079)
Provision for general reserve for possible loan losses	34	39,434	15,801	23,633	(75,730)
Write-off of loans	35	(78,688)	96,563	(175,251)	(231,412)
Provision for specific reserve for possible loan losses	36	(95,042)	5,438	(100,480)	(182,346)
Losses on sales of delinquent loans	37	(46,628)	(22,277)	(24,351)	(60,182)
Provision for loan loss reserve for specific overseas countries	38	276	428	(152)	(417)
Recoveries of written-off claims	39	76	68	8	8

(Note) Amounts less than one million yen have been omitted. Figures in parenthesis indicate the amount of loss or decrease.

3. Interest Spread (Domestic) <SMBC Non-consolidated>(%)
<Reference>

	Nine months ended				Year ended March 31, 2009
	December 31, 2009	1st Quarter	2nd Quarter	3rd Quarter	
Interest earned on loans and bills discounted (A)	1.75	1.81	1.73	1.70	1.99
Interest paid on deposits, etc. (B)	0.15	0.16	0.14	0.13	0.23
Interest spread (A) - (B)	1.60	1.65	1.59	1.57	1.76

4. Problem Assets Based on the Financial Reconstruction Law

(Billions of yen)

<Consolidated>

<Reference>

		December 31, 2009	Change from March 31, 2009	March 31, 2009	September 30, 2009
Bankrupt and quasi-bankrupt assets	1	451.1	(54.6)	505.7	472.2
Doubtful assets	2	930.3	64.7	865.6	969.4
Substandard loans	3	323.9	42.0	281.9	281.0
Total (A)	4	1,705.3	52.1	1,653.2	1,722.6
Normal assets	5	69,711.3	(1,183.3)	70,894.6	70,357.5
Total (B)	6	71,416.6	(1,131.2)	72,547.8	72,080.1
Problem asset ratio (A/B)	7	2.39%	0.11%	2.28%	2.39%
Amount of direct reduction		814.7	97.7	717.0	809.8

(Billions of yen)

<SMBC Non-consolidated>

<Reference>

		December 31, 2009	Change from March 31, 2009	March 31, 2009	September 30, 2009
Bankrupt and quasi-bankrupt assets	8	279.0	(40.6)	319.6	289.0
Doubtful assets	9	738.0	59.7	678.3	767.2
Substandard loans	10	236.1	39.8	196.3	185.7
Total (A)	11	1,253.1	58.9	1,194.2	1,241.9
Normal assets	12	64,322.6	(1,705.9)	66,028.5	64,242.2
Total (B)	13	65,575.7	(1,647.0)	67,222.7	65,484.1
Problem asset ratio (A/B)	14	1.91%	0.13%	1.78%	1.90%
Amount of direct reduction		531.6	52.1	479.5	536.3

(Note)

Problem Assets Based on the Financial Reconstruction Law include loans, acceptances and guarantees, suspense payments, and other credit-type assets.

5. Net Unrealized Gains on Securities

<Consolidated>

(Billions of yen)

		December 31, 2009					March 31, 2009			
		Balance sheet amount	Net unrealized gains (losses)	Change from Mar.2009	Gain	Loss	Balance sheet amount	Net unrealized gains (losses)	Gain	Loss
Held-to-maturity securities	1	3,068.5	67.2	40.4	67.3	(0.1)	2,081.7	26.8	28.2	(1.4)
Available-for-sale securities	2	22,735.0	384.7	417.9	631.9	(247.2)	26,602.9	(33.2)	356.8	(390.0)
Stocks	3	2,631.2	320.4	313.3	490.2	(169.8)	2,317.5	7.1	287.4	(280.3)
Bonds	4	16,376.6	75.6	78.5	76.3	(0.7)	16,909.8	(2.9)	21.5	(24.4)
Others	5	3,727.2	(11.3)	26.1	65.4	(76.7)	7,375.6	(37.4)	47.9	(85.3)
Other money held in trust	6	16.7	(0.1)	0.2	0	(0.1)	7.6	(0.3)	—	(0.3)
Total	7	25,820.2	451.8	458.5	699.2	(247.4)	28,692.2	(6.7)	385.0	(391.7)
Stocks	8	2,631.2	320.4	313.3	490.2	(169.8)	2,317.5	7.1	287.4	(280.3)
Bonds	9	19,424.0	142.8	118.4	143.6	(0.8)	18,972.3	24.4	49.7	(25.3)
Others	10	3,765.0	(11.4)	26.8	65.4	(76.8)	7,402.4	(38.2)	47.9	(86.1)

(Notes)

- The figures above include negotiable certificates of deposit bought in "Cash and due from banks" and beneficiary claims on loan trusts in "Monetary claims bought" in addition to "Securities."
- Net unrealized gains (losses) on stocks are mainly calculated with the average market prices during the final month of the corresponding period. Rest of the securities is valued at the market prices as of the balance sheet date.
- Available-for-sale securities and Other money held in trust are valued and recorded on the balance sheet at market prices. Valuation difference in the table above indicates the difference between the acquisition cost (or amortized costs) and the balance sheet amounts.
- Floating-rate Japanese government bonds which SMFG held as "Other securities – AFS securities" are carried at their reasonably estimated amounts in accordance with the "Practical Solution on Measurement of Fair Value of Financial Assets" (Accounting Standard Board of Japan Practical Issues Task Force No. 25).

<SMBC Non-consolidated>

(Billions of yen)

		December 31, 2009					March 31, 2009			
		Balance sheet amount	Net unrealized gains (losses)	Change from Mar.2009	Gain	Loss	Balance sheet amount	Net unrealized gains (losses)	Gain	Loss
Held-to-maturity securities	11	2,965.8	66.5	38.6	66.5	—	2,051.7	27.9	28.2	(0.3)
Stocks of subsidiaries and affiliates	12	2,034.6	(18.2)	(14.7)	—	(18.2)	1,370.2	(3.5)	—	(3.5)
Available-for-sale securities	13	21,002.4	333.4	376.1	590.4	(257.0)	24,975.0	(42.7)	337.5	(380.2)
Stocks	14	2,500.5	282.0	298.5	469.5	(187.5)	2,249.8	(16.5)	273.1	(289.6)
Bonds	15	15,272.2	66.8	68.0	67.4	(0.6)	15,797.3	(1.2)	16.9	(18.1)
Others	16	3,229.7	(15.4)	9.6	53.5	(68.9)	6,927.9	(25.0)	47.5	(72.5)
Other money held in trust	17	9.2	(0.1)	0.2	—	(0.1)	7.6	(0.3)	—	(0.3)
Total	18	26,012.0	381.6	400.2	656.9	(275.3)	28,404.5	(18.6)	365.7	(384.3)
Stocks	19	3,490.4	271.1	291.1	469.5	(198.4)	2,674.5	(20.0)	273.1	(293.1)
Bonds	20	18,238.0	133.3	106.6	133.9	(0.6)	17,849.0	26.7	45.1	(18.4)
Others	21	4,283.6	(22.8)	2.5	53.5	(76.3)	7,881.0	(25.3)	47.5	(72.8)

(Notes)

- The figures above include valuation difference on negotiable certificates of deposit bought in "Cash and due from banks" and beneficiary claims on loan trust in "Monetary claims bought."
- Net unrealized gains (losses) on stocks (excluding stocks of subsidiaries and affiliates) are calculated with the average market prices during the final month of the corresponding period. Rest of the securities is valued at the market prices as of the balance sheet date.
- Available-for-sale securities and Other money held in trust are valued and recorded on the balance sheet at market prices. Valuation difference in the table above indicates the difference between the acquisition cost (or amortized costs) and the balance sheet amounts.
- Floating-rate Japanese government bonds which SMFG held as "Other securities – AFS securities" are carried at their reasonably estimated amounts in accordance with the "Practical Solution on Measurement of Fair Value of Financial Assets" (Accounting Standard Board of Japan Practical Issues Task Force No. 25).

6. Overview of Derivative Transactions (on Deferred Hedge Accounting Basis)

<SMBC Non-consolidated>

<Reference>

(Billions of yen)

	December 31, 2009				March 31, 2009			
	Assets	Liabilities	Net assets	Net deferred gain (loss)	Assets	Liabilities	Net assets	Net deferred gain (loss)
Interest rate swaps	112.0	29.8	82.2	(43.2)	106.3	39.1	67.2	(64.4)
Currency swaps	192.5	4.9	187.6	10.1	124.5	1.9	122.6	25.9
Others	2.2	1.2	1.0	94.8	2.0	2.8	(0.8)	69.8
Total	306.7	35.9	270.8	61.7	232.8	43.8	189.0	31.3

(Notes)

- Derivative transactions are valued at fair value in the balance sheet.
- SMBC applies individual deferred hedge or fair value hedge accounting based on Practical Guidelines for Accounting Standard for Financial Instruments as well as deferred hedge accounting for banking industry based on JICPA Industry Audit Committee Report No.24 and No.25.
- Net deferred gain (loss) shows the amounts before applying tax effect accounting.

(Appendix) Contract amount of interest rate swaps (on deferred hedge accounting basis), classified by maturity

<Reference>

(Billions of yen)

	December 31, 2009				March 31, 2009			
	1 year or less	1-5 years	Over 5 years	Total	1 year or less	1-5 years	Over 5 years	Total
Receivable fixed rate /payable floating rate	5,153.4	14,175.0	3,327.9	22,656.3	3,822.8	11,964.6	3,325.7	19,113.1
Receivable floating rate /payable fixed rate	1,563.9	5,168.9	4,142.6	10,875.4	2,207.1	5,173.5	3,828.6	11,209.2
Receivable floating rate /payable floating rate	30.0	20.5	—	50.5	—	50.5	—	50.5
Total contract amount	6,747.3	19,364.4	7,470.5	33,582.2	6,029.9	17,188.6	7,154.3	30,372.8

7. Deposits and Loans

(Billions of yen)

<SMBC Non-consolidated>

<Reference>

	December 31, 2009	Change from Mar. 2009	March 31, 2009	September 30, 2009
Domestic deposits	65,575.0	(649.4)	66,224.4	65,750.5
Individual	35,865.3	976.1	34,889.2	35,172.2

(Note) Calculation based on the numbers before elimination of temporary inter-office accounts, excluding "negotiable certificates of deposit" and offshore banking accounts.

	December 31, 2009	Change from Mar. 2009	March 31, 2009	September 30, 2009
Loans and bills discounted	58,949.2	(1,292.1)	60,241.3	58,898.7
Domestic offices (excluding offshore banking account)	51,620.1	378.3	51,241.8	51,460.6
Overseas offices and offshore banking accounts	7,329.1	(1,670.4)	8,999.5	7,438.1

8. Return on Equity

<Consolidated>

<Reference>

	Nine months ended December 31, 2009	Change	Year ended March 31, 2009	Six months ended September 30, 2009
Fully-diluted ROE	10.5%	22.8%	(12.3)%	7.7%

(Note)

(Net income) X (number of days in a year) / (number of days in the relevant period)

$$\text{Fully-diluted ROE} = \frac{\text{(Net income) X (number of days in a year) / (number of days in the relevant period)}}{\text{[(Net assets at beginning of period) - (Stock acquisition rights at beginning of period) - (Minority interests at beginning of period) + (Net assets at period-end - Stock acquisition rights at period-end - Minority interests at period-end)]}} \times 100$$

9. Exposure of Securitized Products

Managerial accounting basis

1. Securitized products

- (1) As of December 31, 2009, the Group held 0.1 billion yen in sub-prime related securitized products and 25.1 billion yen other than sub-prime related products after write-offs and provisions. Those figures exclude Government Sponsored Enterprises ("GSE") etc.
- (2) The amount of loss on securitized products for the nine months ended December 31, 2009 was 0.1 billion yen for sub-prime related products and no amount of loss for other than sub-prime related products.

(1) Sub-prime related products

<Consolidated>

(Billions of yen)

	December 31, 2009						March 31, 2009			Ratings of underlying assets, etc.
	Balances (after provisions and write-offs)	Change from Mar. 2009	Overseas	Change from Mar. 2009	Net unrealized gains(losses) (after write-offs)		Balances (after provisions and write-offs)	Overseas	Net unrealized gains(losses) (after write-offs)	
					Change from Mar. 2009	Change from Mar. 2009				
Investments to securitized products	0.1	(0.2)	0.1	(0.2)	—	—	0.3	0.3	—	Speculative ratings
Total	0.1	(0.2)	0.1	(0.2)	—	—	0.3	0.3	—	

(2) Products other than sub-prime related (Excludes GSE etc.)

<Consolidated>

(Billions of yen)

	December 31, 2009						March 31, 2009			Ratings of underlying assets, etc.
	Balances (after provisions and write-offs)	Change from Mar. 2009	Overseas	Change from Mar. 2009	Net unrealized gains(losses) (after write-offs)		Balances (after provisions and write-offs)	Overseas	Net unrealized gains(losses) (after write-offs)	
					Change from Mar. 2009	Change from Mar. 2009				
Cards	—	(4.1)	—	(4.1)	—	0.4	4.1	4.1	(0.4)	
CLO	3.1	(2.0)	3.1	(2.0)	0.3	1.4	5.1	5.1	(1.1)	
Senior	3.0	(2.0)	3.0	(2.0)	(0.2)	0.9	5.0	5.0	(1.1)	AAA-AA
Equity	0.1	(0.0)	0.1	(0.0)	0.5	0.5	0.1	0.1	—	No ratings
CMBS	14.0	(6.8)	—	—	(0.3)	(0.1)	20.8	—	(0.2)	AAA-BBB
Investments to securitized products	17.1	(12.9)	3.1	(6.1)	0.0	1.7	30.0	9.2	(1.7)	
Warehousing Loans etc.	8.0	1.4	8.0	1.4	—	—	6.6	6.6	—	
Total	25.1	(11.5)	11.1	(4.7)	0.0	1.7	36.6	15.8	(1.7)	

(*) 1. "Senior" means the upper tranche under senior-subordinate structure.

2. Warehousing loans are loans made based on collateral consisting of securitized investment products held by a special-purpose company established for the purpose of securitization.

3. Credit ratings are in principle indicated by the lower of S&P ratings and Moody's ratings. Notation of credit ratings is followed by the notation system of S&P.

4. There is no amount for RMBS (excluding GSEs etc.) and ABCP.

5. Excludes GSE and SMBC's exposure to subordinated beneficiaries owned through the securitization of SMBC's loan receivables (see next page for details).

(Reference 1)**Government Sponsored Enterprises ("GSE") etc.**

<Consolidated>

(Billions of yen)

	December 31, 2009						March 31, 2009			Ratings
	Balances	Change from Mar. 2009	Overseas	Change from Mar. 2009	Net unrealized gains(losses)	Change from Mar. 2009	Balances	Overseas	Net unrealized gains(losses)	
GSE etc.	38.4	(236.8)	38.4	(236.8)	(0.4)	(3.5)	275.2	275.2	3.1	AAA

(*) 1. GSE etc. includes GNMA, FNMA and FHLMC. Besides the amounts shown above, SMFG held bonds issued by GSEs (FNMA, FHLMC and Federal Home Loan Banks) of 141.3 billion yen.

2. Credit ratings are in principle indicated by the lower of S&P ratings and Moody's ratings.

Notation of credit ratings is followed by the notation system of S&P.

3. The amount of gains on sales related to GSE etc. in the nine months ended December 31, 2009 was 3.1 billion yen.

(Reference 2)**Subordinated beneficiaries in securitization of SMBC's loans**

Most of the securitized assets are domestic residential mortgage loans with low default rates.

SMBC properly conducts self-assessment and has made the necessary write-offs and provisions for the subordinated beneficiaries.

(Billions of yen)

	December 31, 2009					March 31, 2009			
	Balances	Change from Mar. 2009	Overseas	Subprime-related	Reserve for possible loan losses	Balances	Overseas	Subprime-related	Reserve for possible loan losses
Receivables of residential mortgage loans	250.9	0.1	—	—	—	250.8	—	—	—
Receivables of loans to corporations	6.9	(0.2)	—	—	2.9	7.1	—	—	1.5
Total	257.8	(0.1)	—	—	2.9	257.9	—	—	1.5

(*) 1. No subsidiary other than SMBC has those subordinated beneficiaries mentioned above.

2. Reserves do not include general reserve for possible loan losses for normal borrowers.

2. Transactions with monoline insurance companies

Monoline insurance companies guarantee payment on underlying or reference assets. Our recognition of profit or loss on the transactions with monoline insurance companies is basically affected by the credit conditions and prices of underlying or reference assets, and is also affected by the credit conditions of monoline insurance companies.

(1) Credit derivatives (Credit Default Swap ["CDS"]) transactions with monoline insurance companies

In CDS^{*1} brokerage transactions, positions are covered through transactions with monoline insurance companies. As of December 31, 2009, the Group's exposure^{*2} to monoline insurance companies totaled approximately 53 billion yen. Reference assets of these CDS transactions are rated investment grade or equivalent, and do not include subprime-related assets. No loss was recorded on such transactions in the nine months ended December 31, 2009.

* Derivatives to hedge credit risks

** Mark-to-market value claimable to monoline insurance companies for net loss of reference assets on the settlement

<Consolidated>

(Billions of yen)

	December 31, 2009			March 31, 2009		December 31, 2009		March 31, 2009
	Net exposure	Change from Mar. 2009	Reserve for possible loan losses	Net exposure	Reserve for possible loan losses	Amount of reference assets	Change from Mar. 2009	Amount of reference assets
Exposure to CDS transactions with monoline insurance companies	53.3	(78.7)	2.8	132.0	5.0	498.0	(38.7)	536.7

(2) Loans and investments guaranteed by monoline insurance companies etc.

Underlying assets are those of project finance and local government bonds rated investment grade or equivalent, and include no subprime-related assets. We conduct self-assessment to these loans and investments properly.

<Consolidated>

(Billions of yen)

	December 31, 2009			March 31, 2009	
	Exposure	Change from Mar. 2009	Reserve for possible loan losses	Exposure	Reserve for possible loan losses
Loans and investments guaranteed or insured by monoline insurance companies	9.2	(3.1)	0.0	12.3	0.0

(Reference) In addition, we had approximately 0.7 billion yen in commitment contracts (fully-drawn) to insurance companies with monoline insurance as group members.

3. Leveraged loans

(1) As of December 31, 2009, the Group's balance of financing for mergers and acquisitions of whole or part of companies was approximately 680 billion yen and undrawn commitments for them was approximately 110 billion yen.

(2) In providing loans and commitment lines for mergers and acquisitions, we carefully scrutinize stability of cash flow of the borrowers, and, diversify the exposure especially for overseas portfolio in order to reduce concentration risk. At the same time, in credit risk management, we monitor each of such transactions individually, making loss provisions properly, thereby maintaining the quality of both domestic and overseas portfolios.

<Consolidated>

(Billions of yen)

	December 31, 2009					March 31, 2009		
	Loans	Change from Mar. 2009	Undrawn commitments	Change from Mar. 2009	Reserve for possible loan losses	Loans	Undrawn commitments	Reserve for possible loan losses
Europe	286.0	(20.0)	27.0	(7.2)	2.5	306.0	34.2	2.8
Japan	180.7	0.8	6.3	(22.9)	13.2	179.9	29.2	13.4
The Americas	135.2	(43.8)	68.1	(1.9)	3.1	179.0	70.0	4.1
Asia (excluding Japan)	74.3	(4.5)	10.2	6.3	0.2	78.8	3.9	2.3
Total	676.2	(67.5)	111.6	(25.7)	19.0	743.7	137.3	22.6

(*)1. Above figures include the amount to be sold of approximately 20 billion yen.

In the nine months ended December 31, 2009, we sold leveraged loans of approximately 26 billion yen, and loss on the sale amounted to approximately 8 billion yen.

2. Above figures do not include leveraged loans which are included in underlying assets of "1. Securitized products."

3. Reserves do not include general reserve for possible loan losses against normal borrowers.

4. Asset backed commercial paper (ABCP) programs as sponsor

- (1) The Group sponsors issuance of ABCP, whose reference assets are such as clients' receivables, in order to fulfill clients' financing needs.
Specifically, as a sponsor, we provide services to special purpose vehicles, which are set up for clients' financing needs, for purchase of claims, financing, issuance and sales of ABCPs. We also provide liquidity and credit supports for such special purpose vehicles.
- (2) As of December 31, 2009, the total notional amount of reference assets of sponsored ABCP programs was approximately 400 billion yen. Most of the reference assets are high-grade claims of corporate clients and do not include subprime loan related assets.
In addition, regarding the exposure of liquidity and credit supports, we conduct self-assessment, making provisions and write-offs properly.

(Billions of yen)

Types of reference assets	December 31, 2009					March 31, 2009			Support for programs	
	Notional amount of reference assets	Change from Mar. 2009	Overseas	Change from Mar. 2009	Reserve for possible loan losses	Notional amount of reference assets	Overseas	Reserve for possible loan losses	Liquidity support	Credit support
Claims on corporations	367.9	(292.0)	139.0	(73.3)	—	659.9	212.3	—	yes	yes
Claims on financial institutions	18.4	(1.3)	18.4	(1.3)	—	19.7	19.7	—	yes	yes
Retail loan claims	18.2	(10.2)	18.2	(10.2)	—	28.4	28.4	—	yes	yes
Other claims	—	(0.6)	—	(0.6)	—	0.6	0.6	—	yes	yes
Total	404.5	(304.1)	175.6	(85.4)	—	708.6	261.0	—		

(*) Reserves do not include general reserve for possible loan losses against normal borrowers.

(Reference) In addition, we provide liquidity and credit supports for ABCP programs which are sponsored by other banks.

Total notional amount of reference assets of such programs are approximately 52 billion yen.

5. Others

We have no securities issued by Structured Investment Vehicles.