

Major Questions and Answers
concerning “The 2011 off the Pacific Coast of Tohoku Earthquake” in Japan

We send our deepest condolences to the people devastated by the recent earthquake and subsequent tsunamis in Northeastern Japan, particularly those who have lost loved ones. We wish and pray for the earliest recovery from this tragedy.

The followings are frequently asked questions from investors and our answers in relation to the impact of the earthquake.

Q1. Please explain the number of SMBC’s channels and the current operation in devastated area.

A1. As of March 2011, we have one branch (Sendai Branch) in Tohoku region (Northeastern Japan), out of 435 domestic branches mainly for individual clients. We also have four marketing channels in the region, out of 272 domestic channels for corporate clients. The four channels are; Tohoku Corporate Business Office (in Sendai City, Miyagi Prefecture); Tohoku Business Support Office (also in Sendai City, Miyagi Prefecture); Morioka Corporate Sales Office (in Iwate Prefecture); and Koriyama Corporate Sales Office (in Fukushima Prefecture). All the domestic branches are in operation, while Koriyama Corporate Sales Office is temporarily closed due to the recent earthquake.

Q2. Is there any change in business hours of SMBC’s channels due to the rolling blackout and other factors?

A2. We make every effort to continue banking operation as usual, by utilizing privately owned electrical power facilities even if blackout happens; however, branches and marketing channels without such facilities might close their operation temporarily during and around the blackout . If that happens, we will notice at branches or take any other effective measures to present our operation of branches/ATMs.

In addition, we close consulting plazas in eastern Japan on weekends, on holidays and at nights for the time being, from the viewpoint of clients’ security and electricity saving. (as of March 24, 2011)

Q3. Are ATMs operating?

A3. For the purpose of proactively contributing to electricity saving, a part of SMBC's ATMs are closed or operating with shorter time than usual for a while since March 22, 2011, in the area where The Tokyo Electric Power Company, Incorporated (TEPCO) provides electricity. (as of March 24, 2011)

Q4. Is there any trouble in SMBC's IT system?

A4. All of our domestic/overseas IT system is operating as usual without any trouble.

Q5. Does SMBC provide loans specialized to afflicted people?

A5. To contribute recovery of afflicted people as much as possible, we started to provide special housing loans to individual clients and special loans to corporate clients since March 14, 2011. The special housing loans are loans with interest rate 1.5% lower than over the counter, provided for the people who are afflicted by the recent earthquake and have disaster victim certificates. The special loans to corporate clients are loans with interest rate 0.2 % lower than normal, with maximum amount of JPY 20 million per client and maximum repayment period of 5 years.

Q6. Please explain exposure to the devastated area.

A6. Total loan balance of SMBC's channels located in Tohoku region is approximately JPY 200 billion (or approximately 0.4% of SMBC's total domestic loan balance of JPY 49 trillion as of December 31, 2010), while this figure includes loans to unaffected area. Approximately 60% of the balance is to corporate clients, while remainder is to individual clients.

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