

Sumitomo Mitsui Financial Group, Inc. (SMFG)

Non-consolidated Financial Results for the Six Months ended September 30, 2003

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

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President and CEO: Yoshifumi Nishikawa

Date of Approval by the Board of Directors: November 25, 2003

1. Financial Results (for the Six Months ended September 30, 2003)

(1) Operating Results

Amounts less than one million yen have been omitted.

	Operating Income		Operating Profit		Ordinary Profit		Net Income (Loss)		Net Income per Share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Six Months ended September 30, 2003	7,146	—	5,637	—	5,035	—	4,829	—	833.45
ended September 30, 2002	—	—	—	—	—	—	—	—	—
Fiscal Year ended March 31, 2003	131,519		130,547		119,634		124,738		18,918.33

Notes: 1. Average number of common stocks outstanding

(a) for the six months ended September 30, 2003: 5,794,872 (b) for the six months ended September 30, 2002: —

(c) for the fiscal year ended March 31, 2003 : 5,751,902

2. There is no change in accounting methods.

3. Percentage shown in Operating Income, Operating Profit, Ordinary Profit and Net Income are the increase (decrease) from the previous interim term.

(2) Dividends (Common stock) Please see the next page for information of the preferred stock.

	Interim Dividends per Share	Annual Dividends per Share
Six Months ended September 30, 2003	¥ 0	—
ended September 30, 2002	—	—
Fiscal Year ended March 31, 2003	—	¥ 3,000

(3) Financial Position

	Total Assets	Stockholders' Equity	Stockholders' Equity to Total Assets	Stockholders' Equity per Share
	¥ million	¥ million	%	¥
September 30, 2003	3,357,722	3,127,494	93.1	229,727.04
September 30, 2002	—	—	—	—
March 31, 2003	3,413,529	3,156,086	92.5	231,899.30

Notes: 1. Number of common stocks outstanding

(a) as of September 30, 2003: 5,794,692 (b) as of September 30, 2002: — (c) as of March 31, 2003: 5,795,037

2. Number of treasury stocks

(a) as of September 30, 2003: 1,318 (b) as of September 30, 2002: — (c) as of March 31, 2003: 963

2. Earnings Forecast (Fiscal Year ending March 31, 2004)

	Operating Income	Ordinary Profit	Net Income	Dividends per Share (Annual)	
				Year-end	
	¥ million	¥ million	¥ million	¥	¥
Fiscal Year ending March 31, 2004	55,000	50,000	50,000	3,000	3,000

(Reference) Forecasted net income per share for the fiscal year ending March 31, 2004 is 3,617.20 yen.

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 material: 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.

Average number of shares outstanding during the term (year)

	For the six months ended September 30, 2003	For the fiscal year ended March 31, 2003
Common stock	5,794,872	5,751,902
Preferred stock (type 1)	67,000	67,000
Preferred stock (type 2)	100,000	100,000
Preferred stock (type 3)	800,000	800,000
Preferred stock (1st to 12th series type 4)	50,100	21,710
Preferred stock (13th series type 4)	114,999	19,166

Number of shares outstanding as of term (year)-end

	As of September 30, 2003	As of March 31, 2003
Common stock	5,794,692	5,795,037
Preferred stock (type 1)	67,000	67,000
Preferred stock (type 2)	100,000	100,000
Preferred stock (type 3)	800,000	800,000
Preferred stock (1st to 12th series type 4)	50,100	50,100
Preferred stock (13th series type 4)	114,999	115,000

(Note) Change in the number of shares outstanding during the interim term is as follows:

		Number of shares issued	Issue price	Capitalized amount
Conversion of Preferred stock (13th series type 4) to Common stock	Common stock	9.61 shares	-	-
	Preferred stock (13th series type 4)	(1) share	-	-

Dividends per share

	For the six months ended September 30, 2003	For the fiscal year ended March 31, 2003
	Interim dividends	Annual dividends
Common stock	¥ 0	¥ 3,000
Preferred stock (type 1)	¥ 0	¥ 10,500
Preferred stock (type 2)	¥ 0	¥ 28,500
Preferred stock (type 3)	¥ 0	¥ 13,700
Preferred stock (1st to 12th series type 4)	¥ 0	¥ 19,500
Preferred stock (13th series type 4)	¥ 0	¥ 3,750

Forecast of Dividends per Share

	Dividends per Share (Annual)	
	Year-end	
Common stock	¥ 3,000	¥ 3,000
Preferred stock (type 1)	¥ 10,500	¥ 10,500
Preferred stock (type 2)	¥ 28,500	¥ 28,500
Preferred stock (type 3)	¥ 13,700	¥ 13,700
Preferred stock (1st to 12th series type 4)	¥ 135,000	¥ 135,000
Preferred stock (13th series type 4)	¥ 67,500	¥ 67,500

Calculation for Index

- Forecasted Net Income per Share:

$$\frac{\text{Forecasted net income} - \text{Forecasted preferred stock dividends}}{\text{Number of common stocks outstanding as of the interim term-end (excluding treasury stock)}}$$

NON-CONSOLIDATED BALANCE SHEET

	(Millions of yen, %)			
	September 30, 2003	%	March 31, 2003 (Condensed)	%
Assets		%		%
Current assets				
Cash and due from banks	61,841		64,725	
Other current assets	3,613		41,383	
Total current assets	<u>65,455</u>	2.0	<u>106,108</u>	3.1
Fixed assets				
Premises and equipment	0		0	
Intangible assets	34		26	
Investments and other assets	3,291,175		3,306,185	
Investments in subsidiaries and affiliates	3,246,072		3,260,957	
Long-term loans to subsidiaries and affiliates	40,000		40,000	
Deferred tax assets	5,102		5,227	
Total fixed assets	<u>3,291,210</u>	98.0	<u>3,306,213</u>	96.9
Deferred charges	<u>1,056</u>	0.0	<u>1,207</u>	0.0
Total assets	<u><u>3,357,722</u></u>	100.0	<u><u>3,413,529</u></u>	100.0
Liabilities				
Current liabilities				
Short-term borrowings	230,000		256,501	
Reserve for employees bonuses	76		83	
Other current liabilities	151		857	
Total current liabilities	<u>230,228</u>	6.9	<u>257,442</u>	7.5
Total liabilities	<u>230,228</u>	6.9	<u>257,442</u>	7.5
Stockholders' equity				
Capital stock	1,247,650	37.1	1,247,650	36.6
Capital surplus				
Capital reserve	1,247,762		1,747,266	
Other capital surplus	499,501		-	
Total capital surplus	<u>1,747,263</u>	52.0	<u>1,747,266</u>	51.2
Retained earnings				
Earned surplus reserve	-		496	
Voluntary reserve	30,420		30,420	
Unappropriated retained earnings	102,624		130,605	
Total retained earnings	<u>133,044</u>	4.0	<u>161,521</u>	4.7
Treasury stock	<u>(463)</u>	(0.0)	<u>(351)</u>	(0.0)
Total stockholders' equity	<u>3,127,494</u>	93.1	<u>3,156,086</u>	92.5
Total liabilities and stockholders' equity	<u><u>3,357,722</u></u>	100.0	<u><u>3,413,529</u></u>	100.0

NON-CONSOLIDATED STATEMENT OF INCOMESix months ended September 30, 2003, and
Year ended March 31, 2003

(Millions of yen, %)

	September 30, 2003			March 31, 2003		
				(Condensed)		
			%			%
Operating income						
Dividends on investments in subsidiaries and affiliates	3,020			128,265		
Fees and commissions received from subsidiaries	3,707			3,124		
Interest income on loans to subsidiaries and affiliates	<u>419</u>	7,146	100.0	<u>128</u>	131,519	100.0
Operating expenses						
General and administrative expenses	1,508			971		
Other	<u>-</u>	<u>1,508</u>	21.1	<u>0</u>	<u>971</u>	0.7
Operating profit		5,637	78.9		130,547	99.3
Non-operating income		109	1.5		13	0.0
Non-operating expenses		<u>712</u>	9.9		<u>10,926</u>	8.3
Ordinary profit		<u>5,035</u>	70.5		<u>119,634</u>	91.0
Income before income taxes		5,035	70.5		119,634	91.0
Income taxes, current	1			156		
deferred	<u>204</u>	<u>205</u>	2.9	<u>(5,259)</u>	<u>(5,103)</u>	(3.9)
Net income		4,829	67.6		124,738	94.8
Unappropriated retained earnings brought forward		97,298			-	
Unappropriated retained earnings inherited due to merger		-			5,867	
Transfer from earned surplus reserve		496			-	
Unappropriated retained earnings at end of term (year)		<u>102,624</u>			<u>130,605</u>	

Significant Accounting Policies for Non-consolidated Interim Financial Statements

1. Valuation of securities
Investments in subsidiaries and affiliates, and other securities without market value are carried at cost using the moving-average method.
2. Depreciation of fixed assets
 - (1) Premises and equipment
SMFG computes depreciation for buildings using the straight-line method.
 - (2) Intangible assets
SMFG computes depreciation for capitalized software for internal use using the straight-line method over its estimated useful life (five years).
3. Reserve
Reserve for employee bonuses is provided, in provision for payment of bonuses to employees, by the amount of estimated bonuses attributable to this interim term.
4. Lease transactions
Financing leases, excluding those in which the ownership of the property is transferred to the lessee, are accounted for in the same manner as operating leases.
5. Consumption taxes
National and local consumption taxes are accounted for using the tax-excluded method.

Notes to Non-consolidated Interim Balance Sheet

1. Amounts less than one million yen have been omitted.
2. Accumulated depreciation of premises and equipment was 0 million yen.
3. Long-term loans to subsidiaries and affiliates are subordinated loans.

Notes to Non-consolidated Interim Statement of Income

1. Amounts less than one million yen have been omitted.
2. Non-operating expenses include interest on borrowings of 436 million yen and amortization of organization costs of 150 million yen.
3. Depreciation for the interim term is as follows:

fixed assets	0 million yen
intangible assets	3 million yen.

Securities

SMFG has no investments in subsidiaries and affiliates that have market value.