

(Reference) Progress in the Management Commitment and the Plan**1. Management Policy in FY2003**

SMFG will achieve the following 3 goals within fiscal years 2003 and 2004

-Reinforce Balance Sheet

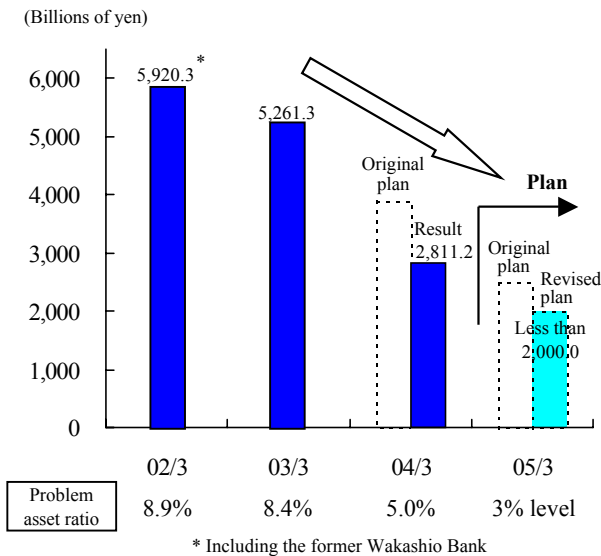
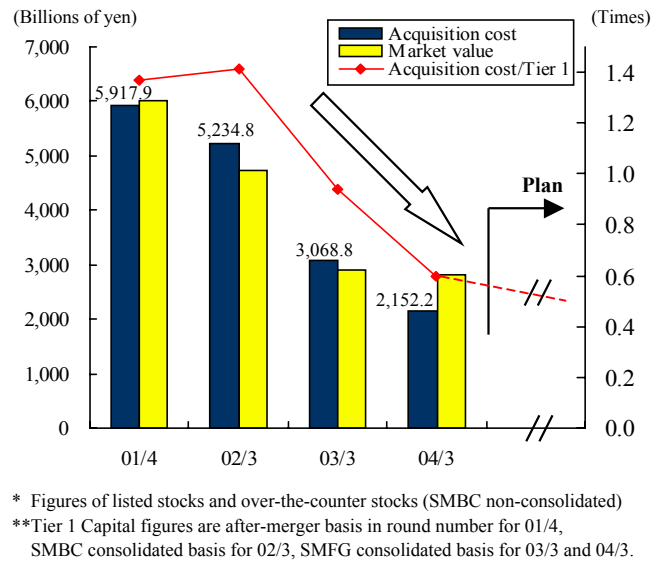
⇒ -Cut Problem asset ratio by half
-Further reduce stockholdings

-Establish highly-profitable business models

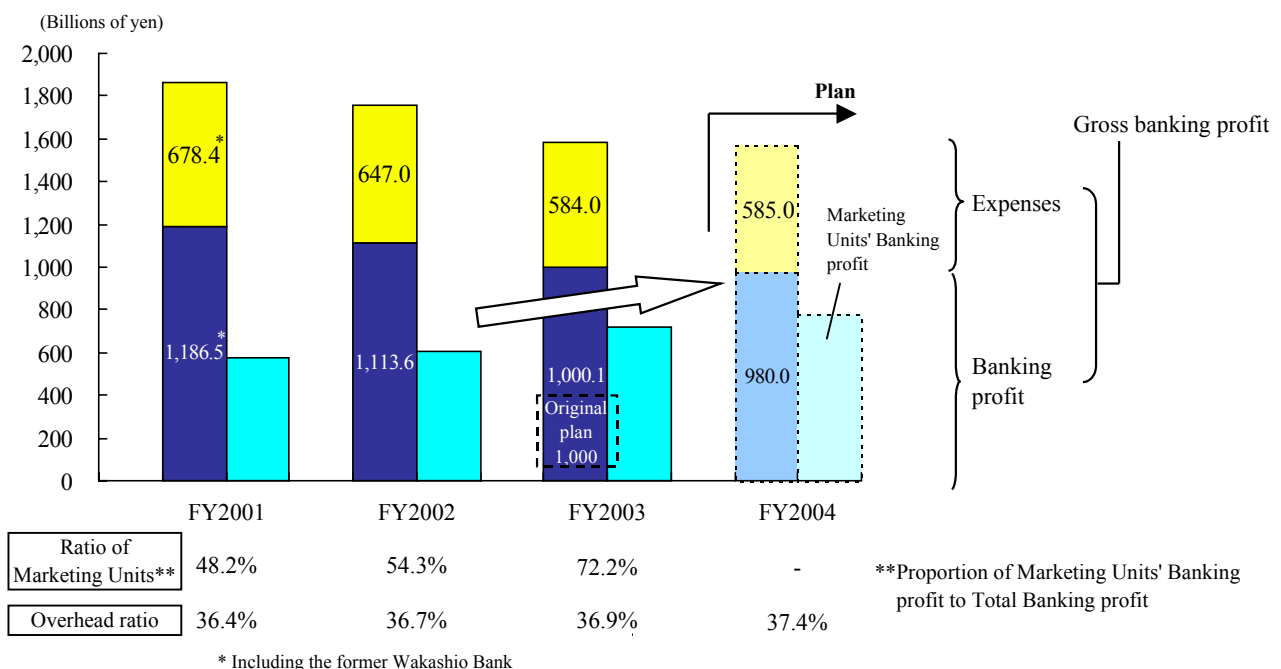
⇒ Establish earnings structure to ensure Banking profit of JPY 1 trillion

-Secure and expand Net income

⇒ JPY 100 billion in FY2003, increase substantially thereafter

2. Reinforcement of Balance Sheet**(1) Problem Assets based on the Financial Reconstruction Law****(2) Stockholdings****3. Establishment of highly-profitable business models**

-Banking profit, Marketing Units' Banking profit, Expenses



This material 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.