

■ Consumer Banking

The Group companies of SMFG are enhancing their financial services provided to our clients. Some of the key factors of SMBC's noteworthy performance in the first six months of fiscal 2010, include investment trusts outstanding of ¥2,579.2 billion (as of September 30, 2010); sales of foreign bonds and yen-denominated bonds of ¥94.9 billion; pension-type insurance sales of ¥110.2 billion; sales of single premium whole life insurance of ¥150.3 billion; and housing loans outstanding of ¥14,472.8 billion (as of September 30, 2010).

Financial Consulting Business



In the first six months of fiscal 2010, SMBC continued to broaden its product portfolio of investment trusts, pension-type insurance, life insurance policies and other financial products.

As for the investment trust products, the bank has expanded its portfolio of investment trust products to include emerging market bonds, high-yield Asian bonds, and Brazilian bonds, as well as global high-yield bonds denominated in Australian dollars.

SMBC increased its number of funds to the total of 33 (as of November 1, 2010) for transactions available exclusively on the Internet or for mobile phones; this particular service was launched in October 2009. The bank also conducted a campaign of charging no subscription fees, during three months of June to August 2010.

As for the insurance products, the bank responds to our clients' needs by selling level-premium life insurance products at all branches throughout Japan and enabling those clients having difficulties coming down to our branch during regular banking hours to request medical insurance information materials and application forms through ATMs. We also expanded our over-the-counter portfolio of whole life insurance policies, such as policies with guaranteed minimum death benefit that could increase depending on investment performance and policies with the options of selecting the type of coverage at the time of the last premium payment.



ATM screen image

As for the Japanese government bonds for individuals, we started offering three-year maturity products in June 2010 in addition to our existing five- and ten-year maturity products.

As for the financial products intermediation services, Nikko Cordial Securities Inc. became our agent in April 2010 further enhancing our ability to offer securities to our individual clients, including continuous offering of yen-denominated bonds, to diversify our products offered to our clients.

We consider it is important to support and follow up our clients even after they have purchased our products. As part of our fulfilling this commitment, we take numerous measures to keep our clients up-to-date with new developments — by having seminars regarding funds performances, monthly issuances of special market reports, and mailings of financial statements detailing assets performance.



Loan Business



To enable us to respond to the diversified needs of our clients, we have developed new products and services.

In February 2010, following our introduction in December 2008 of unsecured educational loans, we began offering loans for car purchases (guaranteed by Promise Co., Ltd.) and a general-purpose unsecured loan. Clients may apply for these loans daily (except January 1) until 9 p.m. using our automated

loan contract machines installed at SMBC branches, the Internet, or other means. In most cases, applicants may receive a response within the same day, giving these new loan products greater advantages compared to the conventional loans.

In September 2010, SMBC began accepting accelerated full-sum repayments of housing loans through the SMBC Direct online banking service. With this service, over-the-counter procedures can now be completed at home or other remote locations. This service significantly contributed to maximizing convenience for our clients.

Providing this accelerated full-sum repayment service, with the existing services of partial-repayment and change of interest rate type (floating or fixed) is one of our ways to better accommodate and respond to our clients' diversified needs.

Following the enactment of the "Act Concerning Temporary Measures to Facilitate Financing for Small and Medium-Sized Enterprises, etc.," we appointed specialists to provide consultations and assistance with clients having difficulties in repaying their mortgage at all bank branches as well as at the nine special Loan Support Offices located nationwide.

We will continue to provide more personalized and expedited support and services for such clients.

Settlement and Consumer Finance Business

The iD^{*1} credit service, which was created as a result of the strategic alliance of SMFG and NTT DoCoMo, Inc., continues to further evolve. As of September 30, 2010, there are approximately 15.2 million subscribers to this service and approximately 490,000 terminals for such credit services installed on the premises of affiliated merchants.

^{*1} iD is a trademark of NTT DoCoMo, Inc.

As for the consumer finance business operated by the affiliation of SMBC and Promise Co., Ltd., SMBC and At-Loan Co., Ltd.^{*2}, together generated approximately ¥420 billion in consumer loans, and there were 714 automated contract machines, as of September 30, 2010.

^{*2} At-Loan is scheduled to be merged with Promise in April 2011.

Transaction Channels

For the *SMBC Direct* online banking services, we are constantly adding highly advanced services to meet our clients' needs to improve convenience and reinforce security. In November 2010, we launched an online overseas remittance service for individual clients through *SMBC Direct*, improving the service previously offered only at our branches. This is another way for us to better accommodate our clients by simplifying the procedures, increasing their choices and maximizing convenience.

SMBC Direct has taken first place for seven consecutive years in the evaluation ranking for the Internet banking services assessed by e-commerce website rating firm Gomez Consulting Co., Ltd. As of September 30, 2010, there were approximately 10.5 million registered clients.

Our call centers located in Tokyo, Kobe and Fukuoka for our retail clients also take calls from our retail online clients who prefer to speak with our staff on important issues. The operation of these three call centers enhances our services by offering telephone consultations for inquiries on asset management or loans, as well as any information related to our financial services to provide the type of services best accommodated to the lifestyle and needs of our clients.



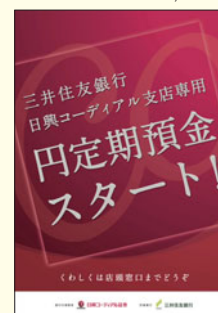
Topics

◆ Businesses Jointly Operated with Nikko Cordial Securities

Nikko Cordial Securities became a wholly-owned subsidiary of SMBC on October 1, 2009, the milestone event which has further enhanced our Group to be able to offer our clients more competitive products and services.

Since October 2009, SMBC has been working with Nikko Cordial Securities to offer investment trust products, organize seminars, and provide financial products intermediary services for our individual clients.

In April 2010, SMBC designated Nikko Cordial Securities as the agent for the financial products intermediation services for individual clients, in addition to SMBC Friend Securities. In June 2010, SMBC expanded the services' portfolio to include structured bonds, and started to offer a single premium whole life insurance with variable benefit jointly developed for the first time with Nikko Cordial Securities for over-the-counter sales. In October 2010, Nikko Cordial Securities also became SMBC's banking agent. Further, in January 2011, operations of SMBC Friend Securities related to the financial products intermediation services were integrated into those of Nikko Cordial Securities. We will continue to proactively develop our both banking and securities businesses.



A joint seminar held with Nikko Cordial Securities