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SMFG SUMITOMO MITSUI
FINANCIAL GROUP

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.

(1-1) Summary of financial results - P/L - (1)

Gross banking profit

| | (Billions of yen) | | | |
|------------------------------------|-------------------|----------------|--------------|---------------|
| | FY06 | FY07 | 1H, FY08 | YOY change |
| Gross domestic profit | 1,150.0 | 1,198.3 | 566.1 | (35.1) |
| <Excluding gain (loss) on bonds> | <1,224.7> | <1,208.3> | <573.3> | <(22.0)> |
| Net interest income | 904.2 | 914.6 | 460.0 | (0.7) (1) |
| <Interest on interest rate swaps> | <(20.6)> | <(54.5)> | <(21.5)> | <+2.2> |
| Trust fees | 3.5 | 3.7 | 1.2 | (1.0) |
| Net fees and commissions | 289.9 | 263.1 | 105.2 | (18.3) (2) |
| Net trading income (loss) | 3.9 | 8.5 | 3.9 | (0.8) |
| Net other ordinary income | (51.5) | 8.4 | (4.2) | (14.3) |
| <Gain (loss) on bonds> | <(74.7)> | <(10.0)> | <(7.2)> | <(13.1)> |
| Gross international profit* | 194.5 | 286.5 | 169.0 | +51.7 |
| <Excluding gain (loss) on bonds> | <232.2> | <306.6> | <166.3> | <+36.9> |
| Net interest income | 32.9 | 53.6 | 53.5 | +36.6 (3) |
| <Interest on interest rate swaps> | <(32.1)> | <(34.8)> | <(8.2)> | <+9.6> |
| Net fees and commissions | 63.5 | 69.3 | 41.9 | +8.3 (4) |
| Net trading income | 49.8 | 55.5 | 28.5 | +9.2 |
| Net other ordinary income | 48.3 | 108.1 | 45.1 | (2.4) |
| <Gain (loss) on bonds> | <(37.7)> | <(20.1)> | <2.7> | <+14.8> |

Amount of adjustments related to the items consisting of Gross international profit

| | | | | |
|----------------------------------|--------|---------|--------|---------|
| Net interest income (loss) | (0.4) | (2.6) | +0.6 | +0.5 |
| Net trading income (loss) | (47.9) | (377.0) | +47.1 | +126.4 |
| Net other ordinary income (loss) | +48.3 | +379.6 | (47.7) | (126.9) |

*After adjustments related to the items consisting of Gross international profit.

Main factors of year-over-year change

- | |
|---|
| (1) Increase in interest on loans (received), besides increase in interest on deposits (paid) |
| (2) Decrease in sales of investment products |
| (3) Improvement in profit in foreign currency ALM banking account |
| (4) Increase in loan related fees and commissions, etc. at overseas branches |

Banking profit by business units

| | | (Billions of yen) | | | | |
|---------------|----------------------|-------------------|---------|---------|---------|----------|
| | | FY04 | FY05 | FY06 | FY07 | 1H, FY08 |
| Consumer | Banking profit | 118.0 | 155.6 | 161.5 | 169.3 | 70.3 |
| Banking Unit | Gross banking profit | 357.5 | 402.6 | 410.7 | 440.7 | 215.6 |
| | Expenses | (239.5) | (247.0) | (249.2) | (271.4) | (145.3) |
| Middle Market | Banking profit | 481.0 | 487.5 | 420.1 | 421.2 | 169.9 |
| Banking Unit | Gross banking profit | 654.2 | 673.1 | 610.1 | 624.3 | 281.1 |
| | Expenses | (173.2) | (185.6) | (190.0) | (203.1) | (111.2) |
| Corporate | Banking profit | 160.5 | 165.4 | 158.3 | 155.6 | 78.6 |
| Banking Unit | Gross banking profit | 186.8 | 194.6 | 187.7 | 186.7 | 94.3 |
| | Expenses | (26.3) | (29.2) | (29.4) | (31.1) | (15.7) |
| International | Banking profit | 46.6 | 65.5 | 74.7 | 81.5 | 55.3 |
| Banking Unit | Gross banking profit | 84.4 | 106.8 | 120.5 | 137.5 | 89.9 |
| | Expenses | (37.8) | (41.3) | (45.8) | (56.0) | (34.6) |
| Treasury Unit | Banking profit | 205.0 | 201.3 | 34.0 | 127.8 | 80.7 |
| | Gross banking profit | 222.8 | 219.8 | 51.8 | 145.4 | 89.8 |
| | Expenses | (17.8) | (18.5) | (17.8) | (17.6) | (9.1) |
| Headquarters | Banking profit | (74.8) | (109.7) | (108.0) | (135.7) | (76.3) |
| | Gross banking profit | 5.3 | (44.8) | (36.3) | (49.8) | (35.6) |
| | Expenses | (80.1) | (64.9) | (71.7) | (85.9) | (40.7) |
| Total | Banking profit | 940.5 | 965.6 | 740.6 | 819.7 | 378.5 |
| | Gross banking profit | 1,522.9 | 1,552.1 | 1,344.5 | 1,484.8 | 735.1 |
| | Expenses | (582.4) | (586.5) | (603.9) | (665.1) | (356.6) |

* Managerial accounting basis

(1-1) Summary of financial results - P/L - (2)

SMBC non-consolidated

(Billions of yen)

| | FY05 | FY06 | FY07 | 1H, FY08 |
|---|----------------|---------------|----------------|--------------|
| Gross banking profit | 1,552.1 | 1,344.5 | 1,484.8 | 735.1 |
| <Marketing Units ¹ > | <1,377.1> | <1,329.0> | <1,389.2> | <(680.9)> |
| Non-interest income ² | 545.5 | 467.0 | 441.8 | 191.6 |
| <Proportion of Non-interest income to Gross banking profit> | <35.1%> | <34.7%> | <29.8%> | <26.1%> |
| Expenses | (586.5) | (603.9) | (665.1) | (356.6) |
| Overhead ratio | 37.8% | 44.9% | 44.8% | 48.5% |
| Banking profit³ | 965.6 | 740.6 | 819.7 | 378.5 |
| Marketing Units ¹ | 874.0 | 814.6 | 827.6 | 374.1 |
| Treasury Unit | 201.3 | 34.0 | 127.8 | 80.7 |
| Gain (loss) on stocks | 25.5 | 11.1 | (141.0) | (17.2) |
| Ordinary profit (loss) | 720.9 | 573.3 | 510.7 | 122.1 |
| Net income (loss) | 519.5 | 315.7 | 205.7 | 80.4 |
| Total credit cost | (230.9) | (89.5) | (147.8) | 224.1 |

*1 Marketing Unit: Consumer Banking Unit, Middle Market Banking Unit, Corporate Banking Unit and International Banking Unit

*2 Non-interest income (managerial accounting basis): Net fees and commissions + Income related to derivatives products sales, etc.

*3 Before provision of allowance for general loan losses

SMFG consolidated

(Billions of yen)

| | FY05 | FY06 | FY07 | 1H, FY08 | Difference ¹ |
|---|----------------|----------------|----------------|----------------|-------------------------|
| Consolidated gross profit | 2,090.1 | 1,906.2 | 2,116.2 | 1,068.1 | +333.1 |
| Net interest income | 1,161.6 | 1,168.6 | 1,210.4 | 678.5 | +165.6 (1) |
| Trust fees | 8.6 | 3.5 | 3.8 | 1.3 | 0 |
| Net fees and commissions | 619.6 | 609.2 | 612.0 | 284.0 | +136.9 (2) |
| Net trading income | 32.8 | 125.6 | 469.6 | (0.3) | +14.4 |
| Net other ordinary income | 267.5 | (0.7) | (179.5) | 104.7 | +16.2 |
| General and administrative expenses | (853.8) | (888.6) | (978.9) | (539.0) | (182.4) (3) |
| Gain (loss) on stocks | 47.1 | 44.7 | (7.1) | (19.8) | (2.6) |
| Equity in earnings (losses) of affiliates | 31.9 | (104.2) | (41.8) | (6.1) | (6.1) |
| Ordinary profit (loss) | 963.6 | 798.6 | 831.2 | 191.0 | +68.9 |
| Extraordinary income (loss) | 79.8 | 8.2 | 97.8 | (0.4) | +0.8 |
| Net income (loss) | 686.8 | 441.4 | 461.5 | 83.3 | +2.9 |
| Total credit cost | (302.0) | (145.0) | (248.6) | (302.1) | (78.0) (4) |
| Consolidated net business profit² | 1,225.4 | 924.2 | 1,022.9 | 410.0 | +31.5 |

Main factors contributing to difference

- (1) Kansai Urban Banking Corporation: 30, Sumitomo Mitsui Finance and Leasing: 29, MINATO BANK: 23, SMBC Europe: 20
 (2) Sumitomo Mitsui Card: 72, SMBC Guarantee: 17, SMBC Friend Securities: 14
 (3) Sumitomo Mitsui Card: (67), Sumitomo Mitsui Finance and Leasing: (22), SMBC Friend Securities: (21),
 Kansai Urban Banking Corporation: (18), MINATO BANK: (18), QUOO (Newly consolidated): (17)
 (4) MINATO BANK: (15), Kansai Urban Banking Corporation: (12), Sumitomo Mitsui Finance and Leasing: (10),
 Sumitomo Mitsui Card: (9)

*1 Difference between SMFG consolidated figures and SMBC non-consolidated figures

*2 Consolidated net business profit = (SMBC non-consolidated banking profit (before provision of allowance for general loan losses)) +
 (Other consolidated subsidiaries' ordinary profit (excluding non-recurring items)) + (Affiliates' ordinary profit) X (Ownership ratio) -
 (Internal transaction (dividends, etc.))

(1-2) Loan portfolio (balance and spread)

<SMBC non-consolidated>

Loan balance

| | Term-end balance (Trillions of yen) | | Average balance (Trillions of yen) | |
|---|-------------------------------------|---------------------|------------------------------------|-------------|
| | Sep. 08 | Change from Mar. 08 | 1H, FY08 | YOY change |
| Total lendings | 58.5 | +1.6 | 57.8 | +4.3 |
| Domestic offices | 48.3 | (0.6) | 48.8 | +1.5 |
| Overseas offices | 10.2 | +2.2 | 9.0 | +2.8 |
| Domestic lendings (Managerial accounting basis) | | | | |
| Domestic Marketing Units^{*1} | 45.6 | (0.5) | 48.5 | +1.3 |
| Individual clients | 14.8 | +0.1 ^{*3} | 14.7 | +0.2 |
| Small- and medium-sized enterprises ^{*2} | 20.1 | (1.2) | 20.6 | (0.5) |
| Large corporations ^{*2} | 10.7 | +0.6 | 10.2 | +0.7 |

*1 Domestic Marketing Units: Consumer Banking Unit, Middle Market Banking Unit and Corporate Banking Unit

*2 "Small- and medium-sized enterprises": Customers managed by Middle Market Banking Unit, "Large corporations": Customers managed by Corporate Banking Unit

*3 After add-back adjustment of securitized portion of housing loans

Loan spread

| (Managerial accounting basis) | <Average loan spread> | |
|---|-----------------------|------------|
| | 1H, FY08 | YOY change |
| Small- and medium-sized enterprises ^{*4} | 122bp | (11bp) |
| Large corporations ^{*4} | 56bp | (3bp) |

*4 "Small- and medium-sized enterprises": Customers managed by Middle Market Banking Unit, "Large corporations": Customers managed by Corporate Banking Unit

Interest spread (Domestic operations)

(Billions of yen)

| | FY05 | | FY06 | | FY07 | | 1H, FY08 | |
|--|-----------------|--------------|-----------------|--------------|-----------------|--------------|-----------------|--------------|
| | Average balance | Yield | Average balance | Yield | Average balance | Yield | Average balance | Yield |
| Interest earning assets | 66,051.3 | 1.51% | 66,078.0 | 1.56% | 65,571.0 | 1.78% | 67,678.1 | 1.76% |
| Loans and bills discounted ^{*5} | 46,007.3 | 1.71% | 47,188.6 | 1.73% | 46,675.9 | 2.04% | 47,702.9 | 2.01% |
| Securities | 18,099.5 | 1.03% | 16,763.5 | 1.17% | 15,123.1 | 1.27% | 16,733.3 | 1.20% |
| Interest bearing liabilities | 70,359.8 | 0.07% | 67,955.0 | 0.19% | 67,276.1 | 0.38% | 69,396.9 | 0.39% |
| Deposits, etc. | 60,097.3 | 0.02% | 60,040.7 | 0.10% | 59,848.4 | 0.23% | 60,068.5 | 0.26% |
| Expense ratio ^{*6} | 0.75% | | 0.79% | | 0.87% | | 0.90% | |
| Total cost of funding | 0.82% | | 0.98% | | 1.25% | | 1.29% | |
| Overall interest spread | 0.69% | | 0.58% | | 0.53% | | 0.47% | |
| Interest spread | 1.69% | | 1.63% | | 1.81% | | 1.75% | |

*5 Yields on loans and bills discounted is calculated with the exception of loans to financial institutions.

*6 Expense ratio is calculated by subtracting yield of interest bearing liabilities from total cost of funding.

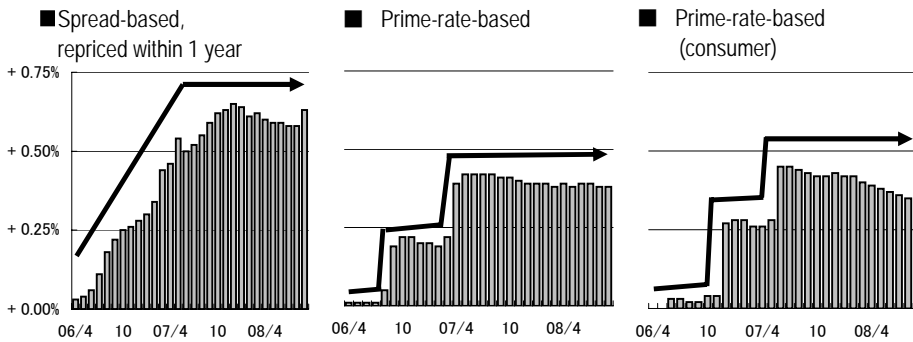
Interest spread (Overseas operations)

(Billions of yen)

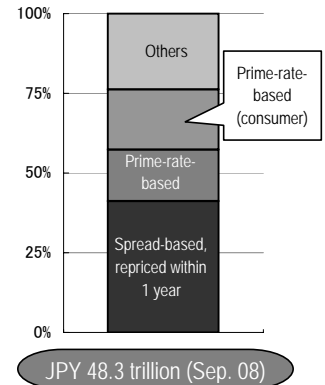
| | FY05 | | FY06 | | FY07 | | 1H, FY08 | |
|-------------------------------------|-----------------|--------------|-----------------|--------------|-----------------|--------------|-----------------|--------------|
| | Average balance | Yield | Average balance | Yield | Average balance | Yield | Average balance | Yield |
| Interest earning assets | 13,046.1 | 3.38% | 14,513.3 | 4.61% | 16,324.4 | 4.30% | 19,745.2 | 3.48% |
| Loans and bills discounted | 5,143.4 | 4.03% | 6,371.0 | 5.10% | 7,573.0 | 5.03% | 10,072.9 | 4.01% |
| Securities | 4,063.7 | 3.19% | 4,095.3 | 4.18% | 3,528.4 | 3.68% | 5,317.0 | 2.84% |
| Interest bearing liabilities | 12,894.6 | 3.34% | 14,324.1 | 4.43% | 16,253.4 | 3.97% | 19,737.0 | 2.95% |
| Deposits, etc. | 7,543.5 | 2.94% | 8,995.4 | 4.05% | 9,278.7 | 3.58% | 10,031.3 | 2.31% |
| Interest spread | 1.09% | | 1.05% | | 1.45% | | 1.70% | |

General trends of yields on loans and deposits

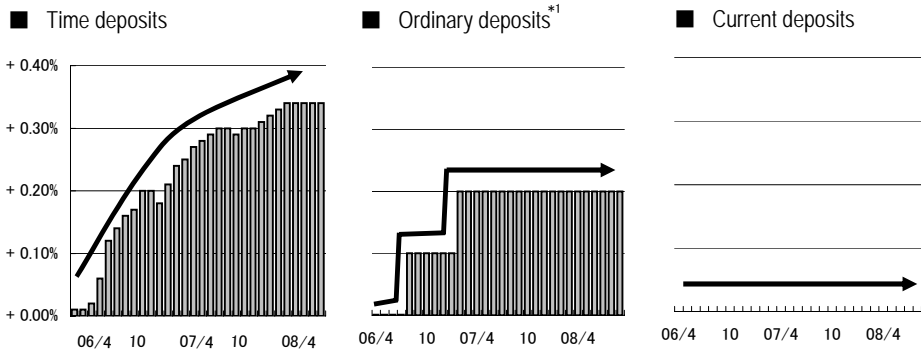
Trends of yields on domestic loans (month-end, compared with March 31, 2006)



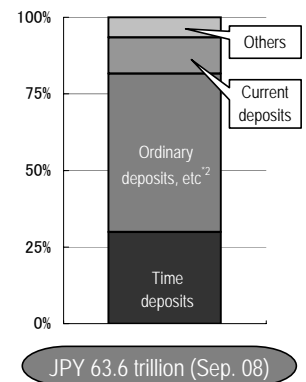
Domestic loans outstanding



Trends of yields on domestic deposits (month-end, compared with March 31, 2006)



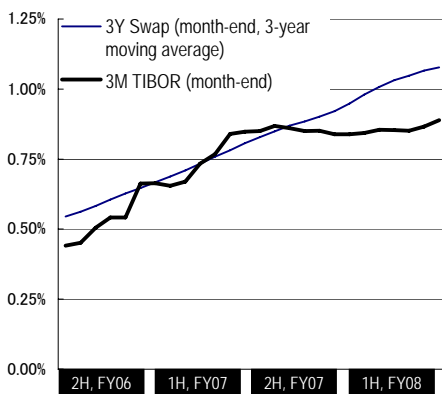
Domestic deposits outstanding



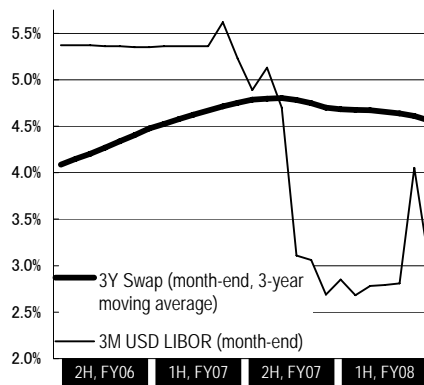
*1 Except for settlement-purpose ordinary deposit (of which principal is fully covered by deposit insurance but no interest is charged, launched February 2005), etc.
 *2 Including settlement-purpose ordinary deposit

Trends of interest rates

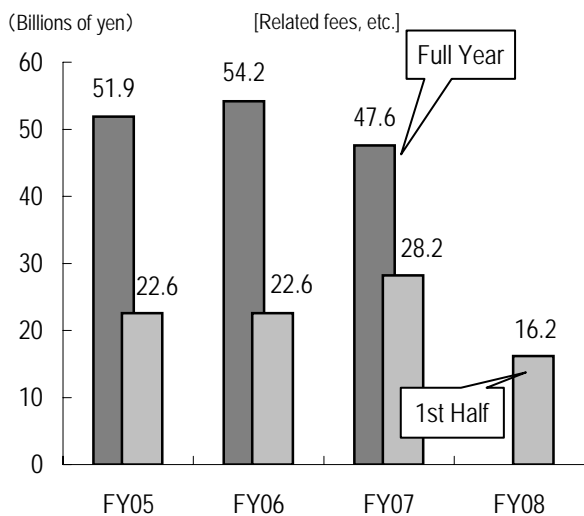
Trend of JPY interest rates



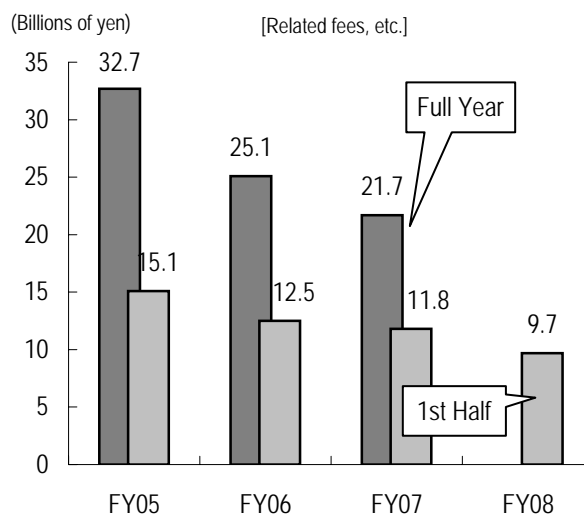
Trend of USD interest rates



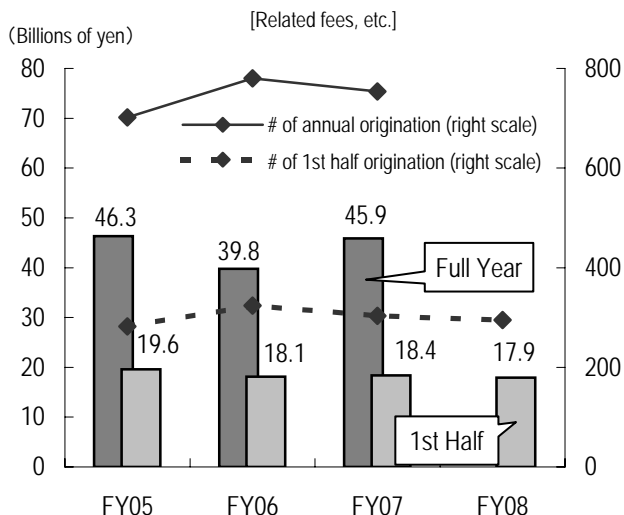
Investment trust



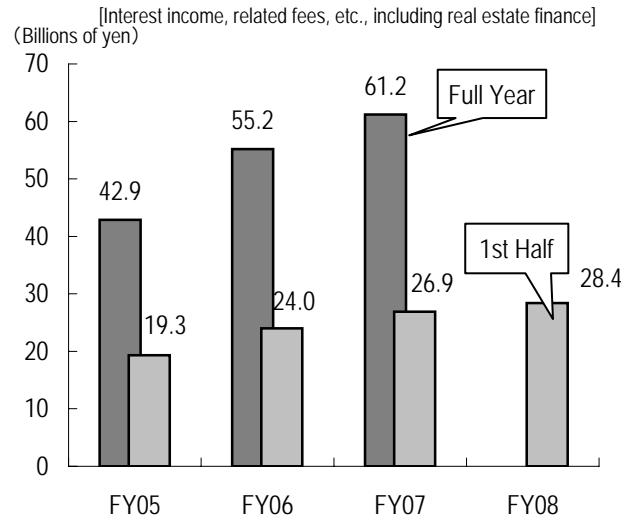
Pension-type insurance



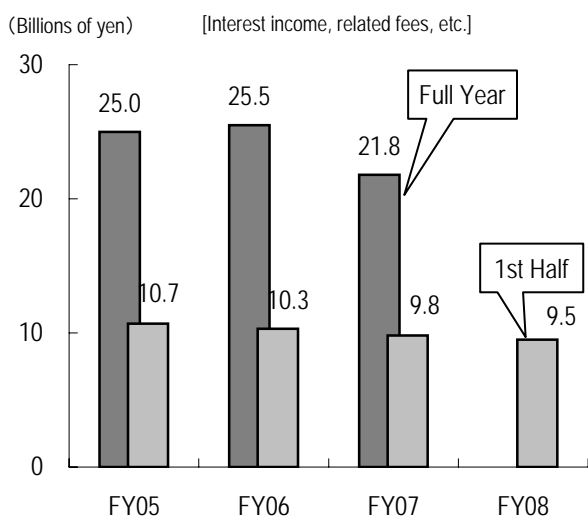
Loan syndication



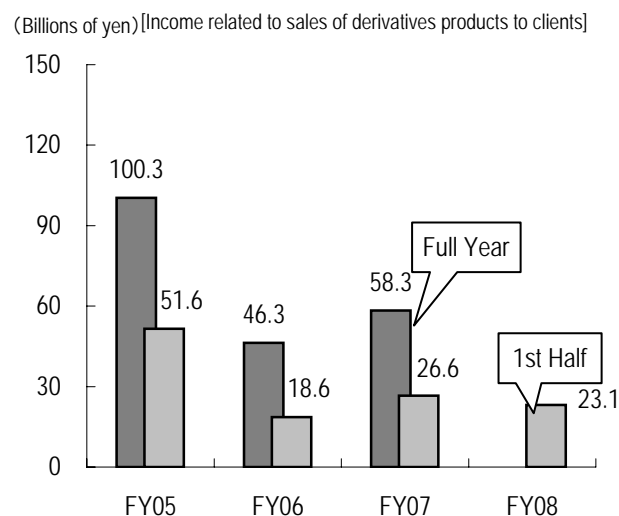
Structured finance



Securitization of monetary claims



Sales of derivatives products



* Managerial accounting basis

(1-4) Credit cost, Non-recurring gain (loss) and
Extraordinary income (loss)

<SMBC non-consolidated>

Credit cost

(Billions of yen)

| | FY05 | FY06 | FY07 | 1H, FY08 |
|--|----------------|----------------|----------------|----------------|
| Total credit cost | (230.9) | (89.5) | (147.8) | (224.1) |
| Provision of allowance for general loan losses | (155.0) | 41.7 | - | (3.7) |
| Credit cost in Non-recurring gain (loss) | (106.5) | (131.7) | (155.0) | (220.4) |
| Write-off of loans | (12.6) | (50.5) | (121.8) | 119.4 |
| Provision of allowance for specific loan losses | (15.8) | (44.3) | - | 86.4 |
| Loss on sales of delinquent loans sold | (79.7) | (37.3) | (33.2) | 14.6 |
| Provision of allowance for loan losses in specific countries | 1.6 | 0.4 | - | (0.0) |
| Credit cost in Extraordinary income (loss) | 30.6 | 0.5 | 7.2 | 0.0 |
| Reversal of allowance for loan losses | - | - | 7.2 | - |
| Reversal of allowance for general loan losses | - | - | 96.9 | - |
| Reversal of allowance for specific loan losses | - | - | (91.6) | - |
| Reversal of allowance for loan losses in specific countries | - | - | 1.9 | - |
| Recoveries of written-off claims | 30.6 | 0.5 | 0.0 | 0.0 |

Non-recurring gain (loss) and Extraordinary income (loss), etc.

(Billions of yen)

| | FY05 | FY06 | FY07 | 1H, FY08 |
|--|---------------|----------------|----------------|----------------|
| Non-recurring gain (loss) | (89.7) | (209.0) | (309.0) | (252.7) |
| Credit costs | (106.5) | (131.7) | (155.0) | (220.4) |
| Gain (loss) on stocks | 25.5 | 11.1 | (141.0) | (17.2) |
| Other non-recurring gain (loss) | (8.7) | (88.4) | (13.0) | (15.1) |
| Ordinary profit (loss) | 720.9 | 573.3 | 510.7 | 122.1 |
| Extraordinary income (loss) | 25.7 | 13.6 | (3.3) | (1.2) |
| Gain (loss) on disposal of premises and equipment | 1.4 | - | - | - |
| Gain (loss) on disposal of fixed assets | - | (1.7) | (5.8) | (0.1) |
| Loss on impairment of fixed assets | (6.3) | (3.7) | (4.7) | (1.1) |
| Gain on reversal of allowance for loan losses | - | - | 7.2 | - |
| Recoveries of written-off claims | 30.6 | 0.5 | 0.0 | 0.0 |
| Gain on return of the entrusted portion of employee pension fund | - | 36.3 | - | - |
| Loss on liquidation of subsidiary | - | (17.8) | - | - |
| Income (loss) before income taxes | 746.6 | 586.9 | 507.4 | 120.9 |
| Income taxes-current | (13.5) | (16.5) | (16.0) | (7.2) |
| Income taxes-deferred | (213.6) | (254.7) | (285.7) | (33.3) |
| Net income (loss) | 519.5 | 315.7 | 205.7 | 80.4 |

(1-5) Summary of consolidated subsidiaries' financial results

Sumitomo Mitsui Card

| | (Billions of yen) | | | |
|--|-------------------|---------|---------|----------|
| | FY05 | FY06 | FY07 | 1H, FY08 |
| Operating revenue | 148.2 | 157.6 | 168.4 | 90.8 |
| Operating profit | 25.8 | 14.1 | 16.9 | 11.9 |
| Ordinary profit | 27.1 | 14.3 | 16.8 | 12.2 |
| Net income | 17.7 | (6.7) | 25.1 | 7.2 |
| Card sales handled | 4,181.3 | 4,753.8 | 5,375.2 | 2,891.3 |
| Number of cardholders (Tens of thousands) | 1,407 | 1,495 | 1,641 | 1,764 |

| | (Billions of yen) |
|---------------------|-------------------|
| | Sep. 08 |
| Total assets | 898.0 |
| Capital stock | 34.0 |
| Number of employees | 2,144 |

1st Half, FY08 highlights

- Promoted Finance and Direct Business and enhanced products line-up
- Improved internal system for the purpose of fortifying business efficiency and monitoring
 - Expanded processing business entrusted by regional banks and through alliance with Recruit and Tenmaya
- Promoted alliance
 - Promoted strategic alliance with OMC Card and Central Finance
 - Prepared for establishment of "Globe Pass"^{*1}, through alliance with overseas' financial institutions centered on Asia
- Reformed earnings structure
 - Enhanced business efficiency
- Strengthened internal compliance with Money-Lending Business Control and Regulation Law, etc.

*1 The first service in the world centered on credit card business to combine financial institutions with each other

Initiatives in 2nd Half, FY08

- <Steadily promote large-sized system development of group companies>
- Promote Finance and Direct Business and enhance products line-up
 - Increase market share
 - Expand processing business centered on financial institutions and through business alliance
 - Promote alliance
 - Further promote strategic alliance with OMC Card and Central Finance
 - Expand services and the number of alliances with overseas' financial institutions through Globe Pass^{*1}
 - Reform earnings structure
 - Reconstruct retail member store business and promote low cost operation
 - Improve CS, strengthen compliance and promote social contribution activities

Sumitomo Mitsui Finance & Leasing

| | (Billions of yen) | | | |
|-------------------|--------------------|--------------------|--------------------|----------|
| | FY05 ^{*2} | FY06 ^{*2} | FY07 ^{*3} | 1H, FY08 |
| Operating revenue | 619.7 | 630.0 | 708.4 | 462.6 |
| | 375.1 | 379.9 | | |
| Operating profit | 32.2 | 31.5 | 36.2 | 21.0 |
| | 21.4 | 24.7 | | |
| Ordinary profit | 26.7 | 29.6 | 38.0 | 21.3 |
| | 22.1 | 25.9 | | |
| Net income | 17.5 | 17.9 | 40.8 | 11.6 |
| | 13.2 | 17.2 | | |
| Contracted amount | 614.1 | 599.4 | 1,054.1 | 450.8 |
| | 498.6 | 516.8 | | |

| | (Billions of yen) |
|---------------------|-------------------|
| | Sep. 08 |
| Total assets | 2,769.9 |
| Lease assets | 2,573.1 |
| Capital stock | 15.0 |
| Number of employees | 1,601 |

*2 As for figures of FY06 or before, upper line shows Former SMBC Leasing and lower line shows Former Sumisho Lease, relatively (Two companies merged in Oct.2007).

*3 Results of the SMBC Leasing from Apr. 1, 2007 to Sep. 30, 2007 are not included for FY07 results.

1st Half, FY08 highlights

- Realizing merger benefits
 - Merged channels in local areas
 - Integrated system related to new contracts
- Promoted new business development in accordance with alliance between SMFG and Sumitomo Corp. group
- Fortified internal structures through consideration within project team
- Established infrastructure to cope with change of Lease Accounting Standards
- Fortified CSR promotion framework

Initiatives in 2nd Half, FY08

- Further promote realizing and diversifying merger benefits
 - Prepare for the system integration in Apr. 09 without any trouble
 - Promote BPR
- Promote new business development in accordance with alliance between SMFG and Sumitomo Corp. group
- Explore new businesses
 - Take advantage of deregulation
- Propose and develop new products to cope with change of Lease Accounting Standards
- Further strengthen framework to reduce credit costs

(1-5) Summary of consolidated subsidiaries' financial results

Japan Research Institute

| | (Billions of yen) | | | |
|-------------------|-------------------|--------------------|--------------------|------------------------|
| | FY05 | FY06 ^{*1} | FY07 ^{*1} | 1H, FY08 ^{*1} |
| Operating revenue | 115.8 | 84.6 | 88.1 | 40.6 |
| Operating profit | 5.2 | 3.0 | 3.8 | (0.8) |
| Ordinary profit | 5.7 | 3.5 | 4.5 | (0.3) |
| Net income | 3.8 | 3.7 | 2.5 | (0.2) |

*1 JRI Solutions spun off in July 2006.

| | (Billions of yen) |
|------------------------------------|-------------------|
| | Sep. 08 |
| Total assets ^{**1} | 76.5 |
| Capital stock | 10.0 |
| Number of employees ^{**1} | 1,929 |

1st Half, FY08 highlights

- Well proceeded large-sized projects related to group companies
- Implemented initiatives to strengthen development capability and improve quality management
- Renovated internal system for the purpose of fortifying business efficiency and monitoring

Initiatives in 2nd Half, FY08

- Further promote large-sized projects related to group companies
- Continuously implement initiatives to strengthen productivity and improve quality
- Promote BPR to enhance business efficiency further
- Continuously promote fostering employees and balancing between work and personal life

SMBC Friend Securities

| | (Billions of yen) | | | |
|---------------------------------------|-------------------|--------|--------|----------|
| | FY05 | FY06 | FY07 | 1H, FY08 |
| Operating revenue | 68.5 | 58.7 | 60.5 | 24.5 |
| Operating profit | 31.0 | 21.2 | 19.0 | 3.4 |
| Ordinary profit | 31.1 | 21.8 | 19.7 | 3.8 |
| Net income | 18.5 | 12.8 | 11.2 | 2.8 |
| Capital adequacy ratio ^{**2} | 783.4% | 982.8% | 924.3% | 1,004.2% |

*2 Net asset / risk equivalent x 99%

| | (Billions of yen) |
|---------------------|-------------------|
| | Sep. 08 |
| Total assets | 243.8 |
| Capital stock | 27.2 |
| Number of employees | 2,189 |
| Number of branches | 73 |

1st Half, FY08 highlights

- Though black, profit and income decreased year over year due to decrease of sales of investment trust and foreign bonds as a result of U.S. financial crisis triggered by the subprime loan problem
- Expanded collaboration with SMBC centered on intermediary of financial products and fund wraps and established 3 branches run with SMBC (Wakayama, Akashi and Hiroshima)

Initiatives in 2nd Half, FY08

- Expand products line-up to respond diversified customers' investment needs such as foreign bonds and investment trusts.
- Response to the introduction of the electronic share certificate system scheduled in Jan. 2009.
- Expand collaboration with SMBC
 - Expand existing businesses such as intermediary of financial products
 - Enhance deals with SMEs

(1-6) Summary of affiliates' financial results

- Daiwa Securities SMBC / Promise

Daiwa Securities SMBC

(Billions of yen)

| <Consolidated> | FY05 | FY06 | FY07 | 1H, FY08 |
|--|--------------|--------------|--------------|---------------|
| Operating revenues | 350.8 | 317.1 | 242.3 | 64.2 |
| Commissions | 111.3 | 106.5 | 77.5 | 25.9 |
| Net gain on trading | 175.5 | 116.6 | 54.6 | 10.8 |
| Interest and dividend income | 64.0 | 94.0 | 110.2 | 27.5 |
| Interest expense | 39.3 | 56.4 | 80.3 | 36.5 |
| Net operating revenues | 311.6 | 260.7 | 162.0 | 27.4 |
| Selling, general and administrative expenses | 171.9 | 169.8 | 162.2 | 76.5 |
| Ordinary profit | 141.6 | 92.9 | 1.4 | (48.4) |
| Net income | 91.9 | 51.9 | (5.8) | (42.6) |

Promise

(Billions of yen)

| <Consolidated> | FY05 | FY06 | FY07 | 1H, FY08 |
|-----------------------------------|-------------|----------------|-------------|-------------|
| Operating income | 381.3 | 368.9 | 391.2 | 201.8 |
| Interest on consumer loans | 360.6 | 344.8 | 346.7 | 170.0 |
| Operating expenses | 313.9 | 572.2 | 328.3 | 174.5 |
| Advertising expenses | 20.3 | 15.7 | 12.4 | 6.2 |
| Provision for uncollectible loans | 125.8 | 234.7 | 102.5 | 58.8 |
| Personnel expenses | 30.4 | 36.1 | 41.2 | 21.2 |
| Operating profit | 67.4 | (203.3) | 63.0 | 27.2 |
| Ordinary profit | 70.0 | (201.5) | 64.3 | 27.5 |
| Net income | 42.0 | (378.3) | 16.0 | 12.4 |

(2-1) Summary of financial results - B/S

SMBC non-consolidated

| | (Billions of yen) | | | | |
|---|-------------------|-----------------|------------------|-----------------|------------------|
| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 | Change |
| Assets | 97,443.4 | 91,537.2 | 100,033.0 | 98,159.8 | (1,873.2) |
| Loans and bills discounted | 51,857.6 | 53,756.4 | 56,957.8 | 58,542.0 | +1,584.2 (1) |
| Securities | 25,202.5 | 20,060.9 | 22,758.2 | 20,982.4 | (1,775.8) (2) |
| Deferred tax assets | 976.2 | 743.6 | 823.3 | 858.4 | +35.1 |
| Liabilities | 93,808.7 | 87,544.3 | 96,539.8 | 94,741.0 | (1,798.8) |
| Deposits | 65,070.8 | 66,235.0 | 66,417.3 | 66,918.0 | +500.7 (3) |
| NCDs | 3,151.4 | 2,574.3 | 2,965.6 | 3,225.7 | +260.1 |
| Bonds | 3,776.7 | 3,647.5 | 3,539.1 | 3,408.9 | (130.2) |
| Total net assets¹ | 3,634.7 | 3,992.9 | 3,493.2 | 3,418.8 | (74.4) |
| Capital stock | 665.0 | 665.0 | 665.0 | 665.0 | - |
| Capital surplus | 1,367.5 | 1,367.5 | 1,367.5 | 1,367.5 | - |
| Retained earnings | 794.0 | 761.1 | 894.8 | 959.7 | +64.9 |
| Total stockholders' equity | - | 2,793.6 | 2,927.3 | 2,992.2 | +64.9 |
| Valuation defereence on available-for sale securities | 783.5 | 1,259.8 | 558.1 | 474.2 | (83.9) |
| Net deferred losses on hedges | - | (84.7) | (13.8) | (69.3) | (55.5) |
| Land revaluation excess | 24.7 | 24.2 | 21.6 | 21.7 | +0.1 |
| Total valuation and translation adjustments | - | 1,199.3 | 565.9 | 426.6 | (139.3) |
| Capital ratio² | 11.35% | 13.45% | 12.67% | 12.50% | (0.17%) |

*1 "Total net assets" was recorded as "Total stockholders' equity" on March 2006.

*2 Capital Ratio is calculated on Basel II basis on and after March 2007. In addition, as from March 2008, "Advanced Measurement Approaches" are introduced in order to measure operational risk assets, which is the first introduction among Japanese banks. The capital ratio as of September 2008 is preliminary basis.

Main factors of year-over-year change

| | | | |
|----------------|--------------------|---|--------------------|
| (1) Loans | JPY +1.6 trillion | : Domestic offices | JPY (0.6) trillion |
| | | : Overseas offices | JPY +2.2 trillion |
| (2) Securities | JPY (1.8) trillion | : Stocks | JPY (0.1) trillion |
| | | : Bonds | JPY (1.0) trillion |
| | | : Foreign currency denominated bonds & investment trust, etc. | JPY (0.6) trillion |
| (3) Deposits | JPY +0.5 trillion | : Mainly due to increase in time deposits of individuals and deposits in overseas offices | |

SMFG consolidated

| | (Billions of yen) | | | | |
|---|-------------------|------------------|------------------|------------------|----------------|
| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 | change |
| Assets | 107,010.6 | 100,858.3 | 111,955.9 | 111,033.8 | (922.1) |
| Loans and bills discounted | 57,267.2 | 58,689.3 | 62,144.9 | 63,477.8 | +1,332.9 |
| Securities | 25,505.9 | 20,537.5 | 23,517.5 | 21,795.9 | (1,721.6) |
| Deferred tax assets | 1,051.6 | 887.2 | 985.5 | 1,033.0 | +47.5 |
| Liabilities | 101,443.2 | 95,527.0 | 106,731.8 | 105,776.0 | (955.8) |
| Deposits | 70,834.1 | 72,156.2 | 72,690.6 | 73,583.1 | +892.5 |
| NCDs | 2,708.6 | 2,589.2 | 3,078.1 | 3,254.7 | +176.6 |
| Bonds | 4,241.4 | 4,093.5 | 3,969.3 | 3,837.0 | (132.3) |
| Deferred tax liabilities | 49.5 | 51.0 | 52.0 | 29.8 | (22.2) |
| Minority interests | 1,113.0 | - | - | - | - |
| Total net assets³ | 4,454.4 | 5,331.3 | 5,224.1 | 5,257.7 | +33.6 |
| Capital stock | 1,420.9 | 1,420.9 | 1,420.9 | 1,420.9 | - |
| Capital surplus | 1,229.2 | 57.8 | 57.8 | 57.8 | (0.0) |
| Retained earnings | 992.1 | 1,386.4 | 1,740.6 | 1,761.1 | +20.5 |
| Treasury stock | (4.4) | (123.5) | (124.0) | (124.2) | (0.2) |
| Total stockholders' equity | - | 2,741.6 | 3,095.3 | 3,115.6 | +20.3 |
| Valuation defereence on available-for sale securities | 819.9 | 1,262.2 | 550.6 | 463.1 | (87.5) |
| Net deferred losses on hedges | - | (87.7) | (75.2) | (114.2) | (39.0) |
| Land revaluation excess | 38.2 | 37.6 | 34.9 | 35.1 | +0.2 |
| Foreign currency translation adjustments | (41.5) | (30.7) | (27.3) | (57.1) | (29.8) |
| Total valuation and translation adjustments | - | 1,181.4 | 483.0 | 326.9 | (156.1) |
| Minority interests | - | 1,408.3 | 1,645.7 | 1,815.2 | +169.5 |
| Capital ratio⁴ | 12.39% | 11.31% | 10.56% | 10.25% | (0.31%) |

*3 "Total net assets" was recorded as "Total stockholders' equity" on March 2006.

*4 Capital Ratio is calculated on Basel II basis on and after March 2007. In addition, as from March 2008, "Advanced Measurement Approaches" are introduced in order to measure operational risk assets, which is the first introduction among Japanese banks. The capital ratio as of September 2008 is preliminary basis.

(2-2) Loan portfolio and problem assets,
classified by industry

<SMBC non-consolidated>

Loan balance

(Billions of yen)

| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 |
|--|-----------------|-----------------|-----------------|-----------------|
| Domestic offices (excluding offshore banking account) | 47,461.3 | 48,190.5 | 48,877.6 | 48,306.8 |
| Manufacturing | 5,172.7 | 5,236.1 | 5,284.5 | 5,389.4 |
| Agriculture, forestry, fisheries, and mining | 133.8 | 132.2 | 138.4 | 104.7 |
| Construction | 1,283.2 | 1,225.0 | 1,153.8 | 1,031.1 |
| Transportation, communications and public enterprises | 2,658.4 | 2,886.2 | 2,891.6 | 3,029.5 |
| Wholesale and retail | 5,170.6 | 5,089.3 | 4,902.3 | 4,738.1 |
| Finance and insurance | 5,072.3 | 5,675.9 | 6,083.6 | 6,135.0 |
| Real estate | 6,316.9 | 6,369.2 | 6,311.0 | 6,136.7 |
| Various services | 5,731.6 | 5,742.4 | 5,453.7 | 5,318.8 |
| Municipalities | 657.8 | 592.2 | 780.9 | 725.9 |
| Others | 15,264.0 | 15,242.0 | 15,877.8 | 15,697.6 |
| Overseas offices and offshore banking accounts | 4,396.3 | 5,565.9 | 8,080.2 | 10,235.2 |
| Public sector | 39.0 | 19.0 | 19.8 | 27.4 |
| Financial institutions | 348.4 | 287.9 | 679.2 | 1,005.7 |
| Commerce and industry | 3,815.8 | 5,038.8 | 6,790.9 | 8,450.5 |
| Others | 193.1 | 220.2 | 590.3 | 751.6 |
| Total | 51,857.6 | 53,756.4 | 56,957.8 | 58,542.0 |

Problem assets based on the Financial Reconstruction Law (Excluding Normal assets)^{*1}

(Billions of yen)

| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 | Sep. 08 Reserve ratio ^{*2} |
|--|--------------|--------------|--------------|----------------|--|
| Domestic offices (excluding offshore banking account) | 908.9 | 695.2 | 735.6 | 986.1 | 62.7% |
| Manufacturing | 68.0 | 60.8 | 70.8 | 95.0 | 58.2% |
| Agriculture, forestry, fisheries, and mining | 3.2 | 2.8 | 3.9 | 14.8 | 82.3% |
| Construction | 41.1 | 34.5 | 79.1 | 90.4 | 66.4% |
| Transportation, communications and public enterprises | 87.0 | 104.9 | 40.5 | 49.5 | 58.4% |
| Wholesale and retail | 93.7 | 96.3 | 127.6 | 126.1 | 61.6% |
| Finance and insurance | 14.7 | 2.4 | 17.2 | 65.0 | 68.7% |
| Real estate | 274.2 | 170.1 | 157.3 | 275.7 | 65.7% |
| Various services | 261.8 | 154.8 | 169.0 | 188.3 | 56.6% |
| Municipalities | - | - | - | - | - |
| Others | 65.2 | 68.6 | 70.2 | 81.3 | 100.0% |
| Overseas offices and offshore banking accounts | 51.2 | 43.5 | 68.3 | 90.8 | 84.7% |
| Public sector | - | - | - | - | - |
| Financial institutions | - | - | - | 37.3 | 100.0% |
| Commerce and industry | 51.2 | 43.5 | 68.3 | 53.5 | 84.5% |
| Others | - | - | - | - | - |
| Total | 960.1 | 738.7 | 803.9 | 1,076.9 | 64.2% |

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

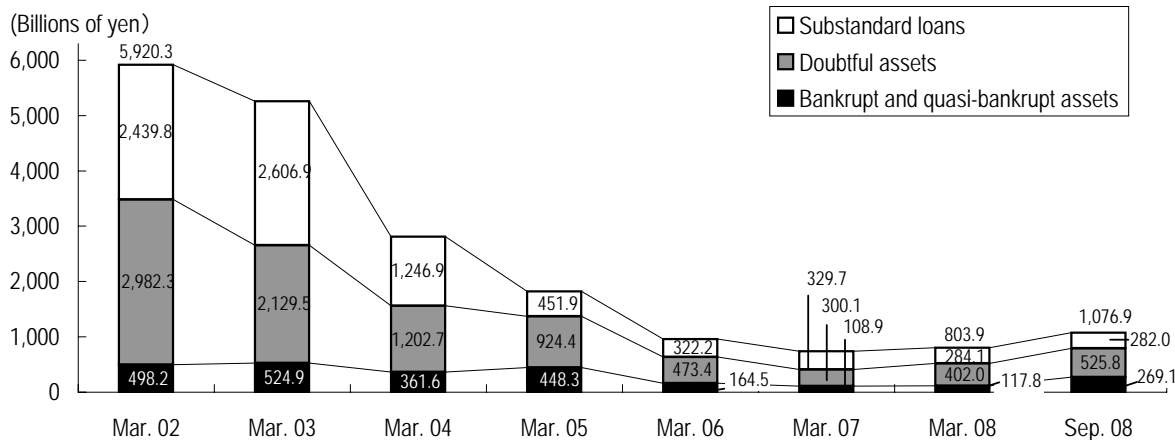
*2 Reserve ratio(%)= Allowance for loan losses / Assets excluding amounts recoverable due to guarantees, collateral and others X 100

Allowance for loan losses is sum of general for substandard loans and specific reserve.

(2-3) Problem assets based on the Financial Reconstruction Law

<SMBC non-consolidated>

Problem assets based on the Financial Reconstruction Law (Excluding Normal assets)



| | | | | | | | | |
|---------------------|-------|-------|-------|-------|-------|--------|--------|--------|
| Problem asset ratio | 8.9% | 8.4% | 5.0% | 3.3% | 1.7% | 1.21% | 1.24% | 1.62% |
| Coverage ratio | 76.7% | 76.7% | 81.5% | 90.5% | 91.0% | 79.42% | 80.60% | 85.55% |

Disclosure of problem assets based on the Financial Reconstruction Law

As of September 30, 2008

(Billions of yen)

| Category of Borrowers under Self-Assessment | Problem assets based on the Financial Reconstruction Law | Classification under Self-Assessment | | | | Reserve for possible loan losses | Reserve ratio | |
|---|--|--|------------------------|---------------------------|---|--|------------------------------------|-----------------------------------|
| | | Classification I | Classification II | Classification III | Classification IV | | | |
| Bankrupt Borrowers | Bankrupt and Quasi-Bankrupt Assets 269.1 (i) (Change from Mar. 08: +151.3) | Portion of claims secured by collateral or guarantees, etc. 251.3 (a) | Fully reserved 17.8 | Direct Write-offs (*1) | Specific Reserve 22.9 (*2) | 100% (*3) | | |
| Potentially Bankrupt Borrowers | | | | | | Portion of claims secured by collateral or guarantees, etc. 276.7 (b) | Necessary amount reserved 249.1 | Specific Reserve 181.5 (*2) |
| Borrowers Requiring Caution | Substandard Loans 282.0 (iii) (Change from Mar. 08: (2.1)) | Portion of Substandard Loans secured by collateral or guarantees, etc. 114.1 (c) | | | General Reserve for Substandard Loans 74.7 | | 46.02% (*3) | 14.22% (*3) |
| | Claims to Substandard Borrowers | Claims to Borrowers Requiring Caution, excluding claims to Substandard | | | General Reserve 434.6 | | 5.97% [10.38%] (*4) | |
| Normal Borrowers | Normal Assets 65,343.4 | Claims to Normal Borrowers | | | | | 0.22% (*4) | |

Loan Loss Reserve for Specific Overseas Countries 0.0

| | | | |
|--|---|---|---------------------------------------|
| Total 66,420.3 (iv) | Problem asset ratio (v)/(iv) (Change from Mar. 08) 1.62% (+0.38%) | Total Reserve for possible loan losses 639.0 | Reserve ratio (*5) (D/C) 64.20% |
| A=(i)+(ii)+(iii) 1,076.9 (v) (Change from Mar. 08: +273.0) | B: Portion secured by collateral or guarantees, etc. (a)+(b)+(c) 642.1 | D: Specific Reserve + General Reserve for Substandard Loans (*2) 279.1 | Coverage ratio (B+D)/A 85.55% |

*1 Includes amount of direct reduction totaling JPY 446.1 billion.

*2 Includes reserve for assets that are not subject to disclosure based on the Financial Reconstruction Law standards. (Bankrupt/Effectively Bankrupt Borrowers: JPY 5.1 billion, Potentially Bankrupt Borrowers: JPY 7.9 billion)

*3 Reserve ratios for claims on Bankrupt Borrowers, Effectively Bankrupt Borrowers, Potentially Bankrupt Borrowers, Substandard Borrowers and Borrowers Requiring Caution including Substandard Borrowers are the proportion of reserve for the possible loan losses to each category's total unsecured claims.

*4 Reserve ratios for claims on Normal Borrowers and Borrowers Requiring Caution (excluding claims to Substandard Borrowers) are the proportion of the reserve for possible loan losses to the respective claims of each category. The reserve ratio for unsecured claims on Borrowers Requiring Caution (excluding claims to Substandard Borrowers) is shown in [].

*5 The proportion of the reserve to the claims, excluding the portion secured by collateral or guarantees, etc.

Market Value Information on Securities

(1) Bonds classified as held-to-maturity with market value

| | (SMFG consolidated) | | | |
|---------------------------------|----------------------|----------------------------|----------------------|----------------------------|
| | Mar. 08 | | Sep. 08 | |
| | Balance sheet amount | Net unrealized gain (loss) | Balance sheet amount | Net unrealized gain (loss) |
| Total | 1,110.8 | 16.8 | 1,594.8 | 6.3 |
| JGBs | 614.3 | 10.7 | 1,093.7 | 5.8 |
| Japanese local government bonds | 97.3 | 1.6 | 97.3 | 0.1 |
| Japanese corporate bonds | 390.1 | 4.6 | 391.9 | 0.8 |
| Others | 9.2 | (0.2) | 12.0 | (0.3) |

| | (SMBC non-consolidated) | | | |
|---------------------------------|-------------------------|----------------------------|----------------------|----------------------------|
| | Mar. 08 | | Sep. 08 | |
| | Balance sheet amount | Net unrealized gain (loss) | Balance sheet amount | Net unrealized gain (loss) |
| Total | 1,092.2 | 17.1 | 1,572.0 | 7.1 |
| JGBs | 614.1 | 10.7 | 1,093.7 | 5.8 |
| Japanese local government bonds | 97.3 | 1.6 | 97.3 | 0.1 |
| Japanese corporate bonds | 380.8 | 4.7 | 381.1 | 1.3 |
| Others | - | - | - | - |

(2) Other securities with market value

| | (SMFG consolidated) | | | |
|--------|---------------------|----------------------------|------------------|----------------------------|
| | Mar. 08 | | Sep. 08 | |
| | Acquisition cost | Net unrealized gain (loss) | Acquisition cost | Net unrealized gain (loss) |
| Total | 17,114.3 | 745.4 | 14,903.3 | 619.5 |
| Stocks | 1,954.7 | 936.2 | 2,003.9 | 785.7 |
| Bonds | 9,864.2 | (132.9) | 8,360.2 | (59.5) |
| JGBs | 8,858.2 | (132.5) | 7,459.8 | (53.4) |
| Others | 5,295.4 | (57.9) | 4,539.2 | (106.6) |

| | (SMBC non-consolidated) | | | |
|--------|-------------------------|----------------------------|------------------|----------------------------|
| | Mar. 08 | | Sep. 08 | |
| | Acquisition cost | Net unrealized gain (loss) | Acquisition cost | Net unrealized gain (loss) |
| Total | 15,787.5 | 755.7 | 13,502.6 | 629.8 |
| Stocks | 1,924.0 | 936.3 | 1,970.4 | 782.5 |
| Bonds | 8,882.5 | (129.5) | 7,288.5 | (56.5) |
| JGBs | 8,313.8 | (128.7) | 6,871.3 | (52.9) |
| Others | 4,981.0 | (51.1) | 4,243.6 | (96.2) |

Redemption schedule of other securities with maturities and bonds classified as held-to-maturity

| As of Sep. 08 | (SMBC non-consolidated) | | | | | | | | | |
|---------------------------------|-------------------------|---------------------|-----------------------------|---------------------|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 1 year or less | | More than 1 year to 5 years | | More than 5 years to 10 years | | More than 10 years | | Total | |
| | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 |
| Bonds | 1,891.9 | (159.1) | 6,639.3 | (694.8) | 1,429.8 | (140.0) | 1,652.4 | (29.1) | 11,613.6 | (1,023.0) |
| JGBs | 1,512.1 | (125.2) | 4,178.2 | (909.5) | 611.2 | +172.2 | 1,610.3 | (24.7) | 7,911.9 | (887.3) |
| Japanese local government bonds | 25.0 | (39.0) | 185.7 | +71.7 | 78.1 | (74.5) | 0.0 | (0.3) | 288.9 | (42.2) |
| Japanese corporate bonds | 354.7 | +5.2 | 2,275.3 | +142.9 | 740.5 | (237.5) | 42.0 | (4.1) | 3,412.6 | (93.5) |
| Others | 540.5 | (39.0) | 3,075.4 | (680.5) | 561.5 | +1.0 | 363.6 | (22.9) | 4,541.1 | (741.4) |
| Total | 2,432.4 | (198.1) | 9,714.7 | (1,375.3) | 1,991.4 | (138.9) | 2,016.0 | (52.1) | 16,154.8 | (1,764.3) |

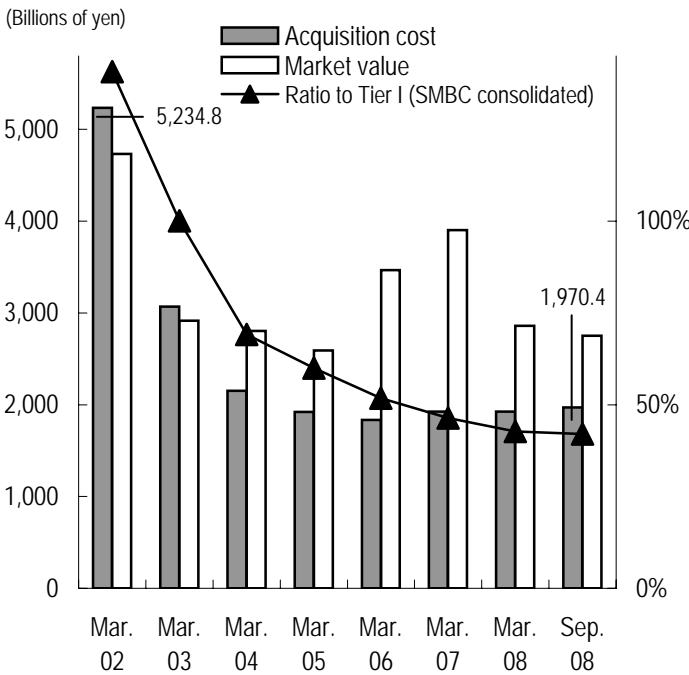
Contract amount of interest rate swaps (on deferred hedge accounting basis), classified by maturity

| As of Sep. 08 | (SMBC non-consolidated) | | | | | | | | | |
|---|-------------------------|---------------------|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 1 year or less | | More than 1 year to 5 years | | More than 5 years | | Total | | | |
| | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 | Change from Mar. 08 |
| Total contract amount | | 5,913.2 | (1,115.4) | 19,979.2 | +3,909.8 | 7,703.2 | (27.1) | 33,595.6 | +2,767.3 | |
| Receivable fixed rate / payable floating rate (a) | | 4,726.3 | (1,363.8) | 12,862.7 | +2,512.4 | 3,346.6 | +56.9 | 20,935.6 | +1,205.5 | |
| Receivable floating rate / payable fixed rate (b) | | 1,186.9 | +248.6 | 7,066.0 | +1,397.4 | 4,356.6 | (84.0) | 12,609.5 | +1,562.0 | |
| Receivable floating rate / payable floating rate | | - | (0.2) | 50.5 | - | - | - | 50.5 | (0.2) | |
| Net receivable fixed rate (a)-(b) | | 3,539.4 | (1,612.4) | 5,796.7 | 1,115.0 | (1,010.0) | 140.9 | 8,326.1 | (356.5) | |

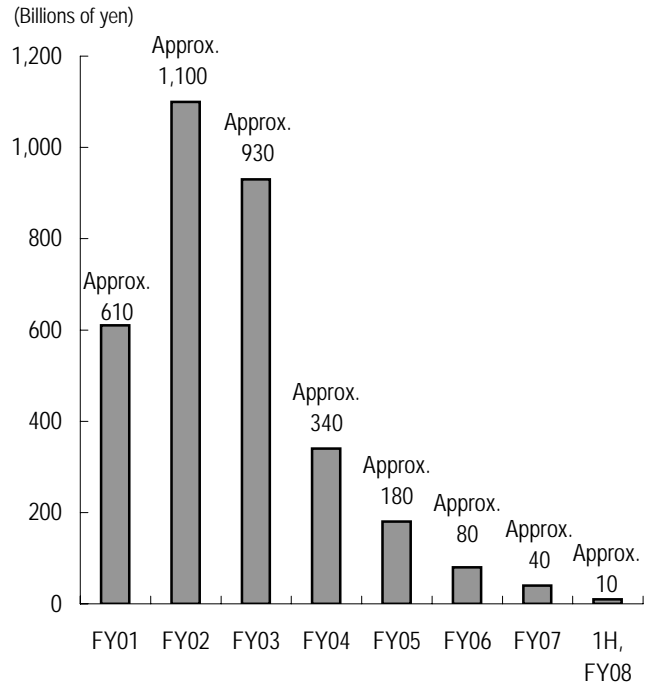
Overview of derivative transactions (on deferred hedge accounting basis)

| As of Sep. 08 | (SMBC non-consolidated) | | | |
|---------------------|-------------------------|-------------|--------------------------|-------------|
| | Net assets | | Net deferred gain (loss) | |
| | Assets | Liabilities | Assets | Liabilities |
| Total | (39.0) | 34.8 | 73.8 | (147.3) |
| Interest rate swaps | (68.8) | 1.3 | 70.1 | (200.7) |
| Currency swaps | 28.3 | 30.5 | 2.2 | 8.9 |
| Others | 1.5 | 3.0 | 1.5 | 44.5 |

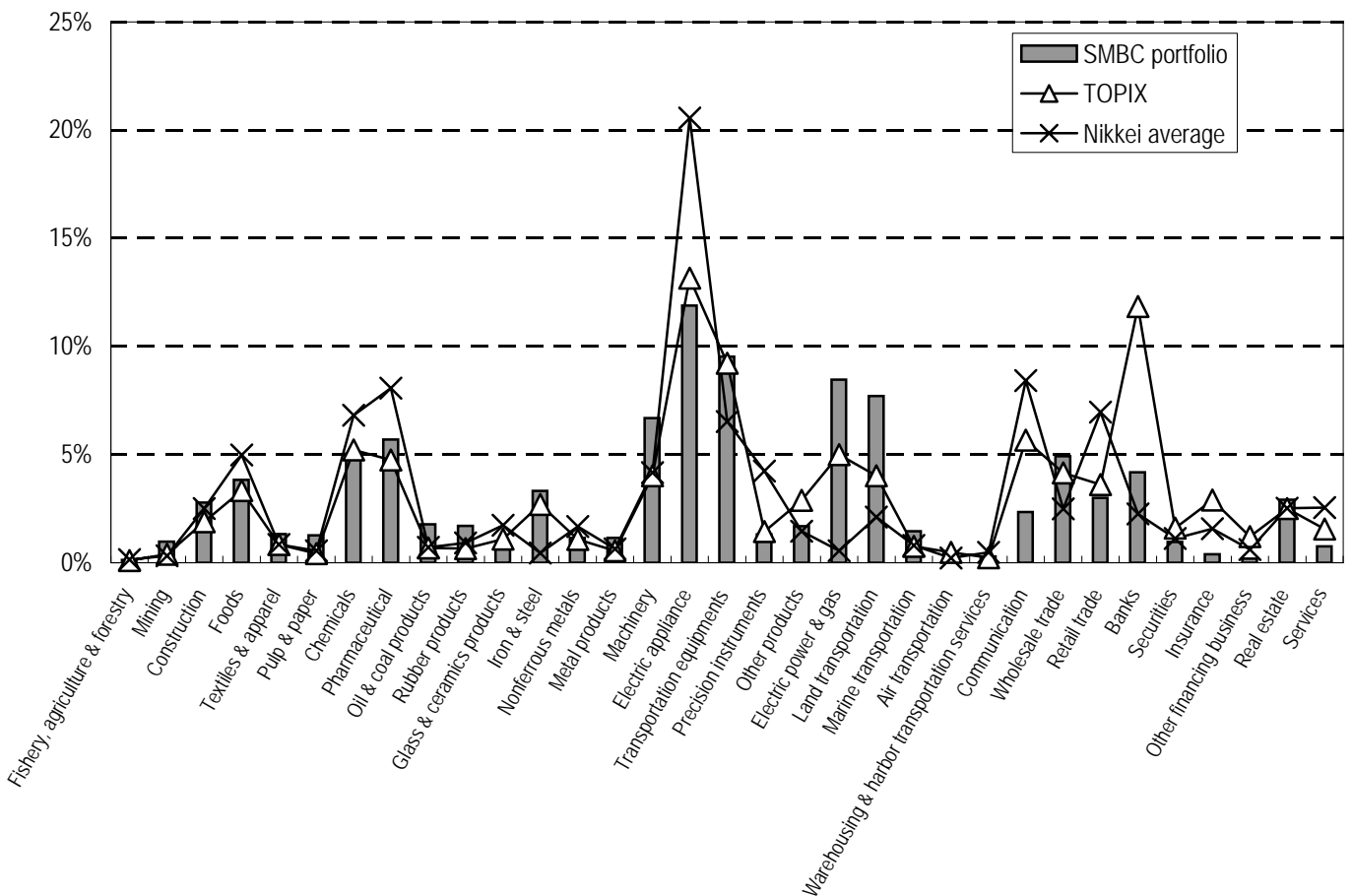
Balance of listed and OTC stocks classified as Other securities



Sales of stockholdings



Composition by industry (As of September 30, 2008, market value basis)



(2-6) Capital ratio, list of preferred stocks and preferred securities

Capital ratio <SMFG consolidated>

(Billions of yen)

| | Mar. 06 ¹ | Mar. 07 | Mar. 08 | Sep. 08 <Preliminary > |
|---|----------------------|----------------|----------------|---------------------------|
| Tier I | 4,645.9 | 3,903.3 | 4,381.5 | 4,491.3 |
| Capital stock & Capital surplus | 2,650.1 | 1,478.7 | 1,478.7 | 1,478.6 |
| <Preferred stock> | <1,460.3> | <360.3> | <360.3> | <310.2> |
| Retained earnings (after deduction of cash dividends to be paid) | 944.1 | 1,319.8 | 1,680.5 | 1,701.1 |
| Preferred securities issued by overseas SPCs | 835.2 | 1,159.6 | 1,217.0 | 1,409.1 |
| Treasury stock | (4.4) | (123.5) | (124.0) | (124.2) |
| Increase in equity capital resulting from a securitization exposure | - | (40.1) | (44.0) | (42.6) |
| Others | 220.9 | 108.8 | 173.3 | 69.3 |
| Tier II² | 4,067.7 | 3,640.2 | 3,021.9 | 2,746.8 |
| 45% of valuation difference on available-for-sale securities | 627.8 | 825.4 | 334.3 | 264.0 |
| 45% of land revaluation excess | 39.9 | 39.4 | 37.2 | 37.2 |
| Allowance for general loan losses | 742.6 | 35.3 | 59.5 | 64.1 |
| Total eligible provisions minus the total expected loss amount | - | 175.9 | 67.8 | 13.1 |
| Perpetual subordinated debt | 1,035.8 | 1,114.0 | 998.3 | 870.1 |
| Dated subordinated debt | 1,621.6 | 1,450.2 | 1,524.8 | 1,498.3 |
| Deductions | (619.3) | (690.8) | (737.8) | (731.0) |
| Total capital | 8,094.4 | 6,852.7 | 6,665.5 | 6,507.1 |
| Risk-adjusted assets | 65,322.3 | 60,540.3 | 63,117.3 | 63,432.5 |
| Capital ratio | 12.39% | 11.31% | 10.56% | 10.25% |
| Tier I ratio | 7.11% | 6.44% | 6.94% | 7.08% |

¹ Basel I basis

² Amount counted as BIS capital

<Reference>

(Billions of yen)

| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 <Preliminary > |
|----------------------------------|---------|---------|---------|---------------------------|
| Net deferred tax assets | 1,002.1 | 836.3 | 933.5 | 1,003.2 |
| Net deferred tax assets / Tier I | 21.6% | 21.4% | 21.3% | 22.3% |

| List of preferred stocks (SMFG) | Issue date | Aggregate issue amount | Outstanding balance as of Sep. 30, 2008 | Acquisition price as of Sep. 30, 2008 | Reset of acquisition price | Acquisition request period | Mandatory acquisition date | Redemption at the option of SMFG |
|---------------------------------------|------------|------------------------|---|---------------------------------------|---|----------------------------|----------------------------|---|
| Type 4 Preferred stock (convertible) | Feb. 2003 | JPY 150.3 billion | JPY 100.2 billion | JPY 318,800 ³ | Each date on which the acquisition is requested (Downward only) | Feb. 8, 2003 - Feb. 7 2028 | Feb. 8, 2028 | - |
| Type 6 Preferred stock (non-dilutive) | Mar. 2005 | JPY 210.0 billion | JPY 210.0 billion | - | - | - | - | At any date on and after March 31, 2011 |

³ Expected to be changed into JPY 3,188 after Jan. 4, 2009 which is scheduled effective date of the stock split of common shares

| List of preferred securities | Issue date | Aggregated issue amount | Redemption at the option of issuer ⁵ | Type |
|--|-----------------------|---------------------------|---|-------------|
| Issued by SMFG's subsidiaries ⁴ | | | | |
| SMFG Preferred Capital USD 1 Limited | Dec. 2006 | USD 1,650 mn | At any dividend payment date on and after Jan. 2017 | Step-up |
| SMFG Preferred Capital GBP 1 Limited | Dec. 2006 | GBP 500 mn | At any dividend payment date on and after Jan. 2017 | Step-up |
| SMFG Preferred Capital JPY 1 Limited | Feb. 2008 | JPY 135.0 bn | At any dividend payment date on and after Jan. 2018 | Non step-up |
| SMFG Preferred Capital USD 2 Limited | May. 2008 | USD 1,800 mn | At any dividend payment date on and after Jul. 2013 | Non step-up |
| SMFG Preferred Capital USD 3 Limited | Jul. 2008 | USD 1,350 mn | At any dividend payment date on and after Jul. 2018 | Step-up |
| SMFG Preferred Capital GBP 2 Limited | Jul. 2008 | GBP 250 mn | At any dividend payment date on and after Jan. 2029 | Step-up |
| Issued by SMBC's subsidiaries | | | | |
| Sakura Preferred Capital (Cayman) Limited | Dec. 1998 - Mar. 1999 | JPY 283.8 bn ⁶ | At any dividend payment date on and after Jan. 2009 | Non step-up |
| SB Equity Securities (Cayman), Limited | Feb. 1999 - Mar. 1999 | JPY 340.0 bn | At any dividend payment date on and after Jun. 2009 | Non step-up |
| Issued by a subsidiary of Kansai Urban Banking Corporation | | | | |
| KUBC Preferred Capital Cayman Limited | Jan. 2007 | JPY 12.5 bn | At any dividend payment date on and after Jul. 2017 | Step-up |

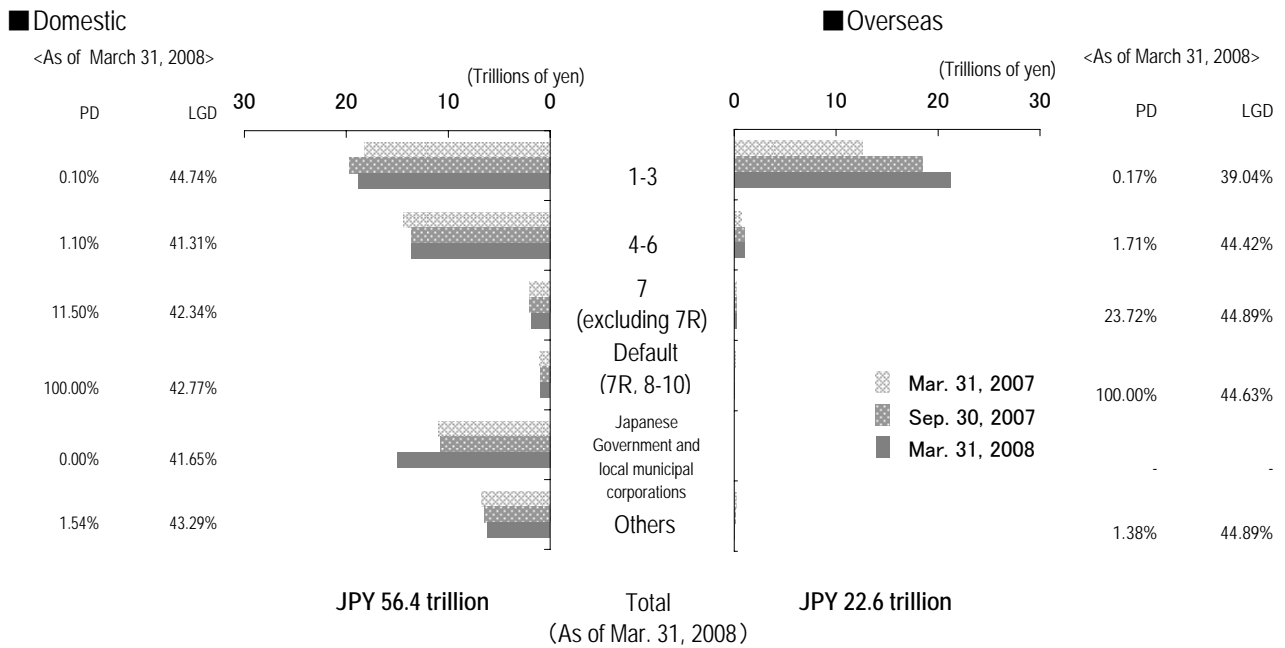
⁴ Other than listed, on November 19, 2008, SMFG announced that it established SMFG Preferred Capital JPY 2 Limited for the purpose of issuing preferred securities by way of private placement in Japan (Issuing date is to be determined).

⁵ Subject to the prior approval of the FSA

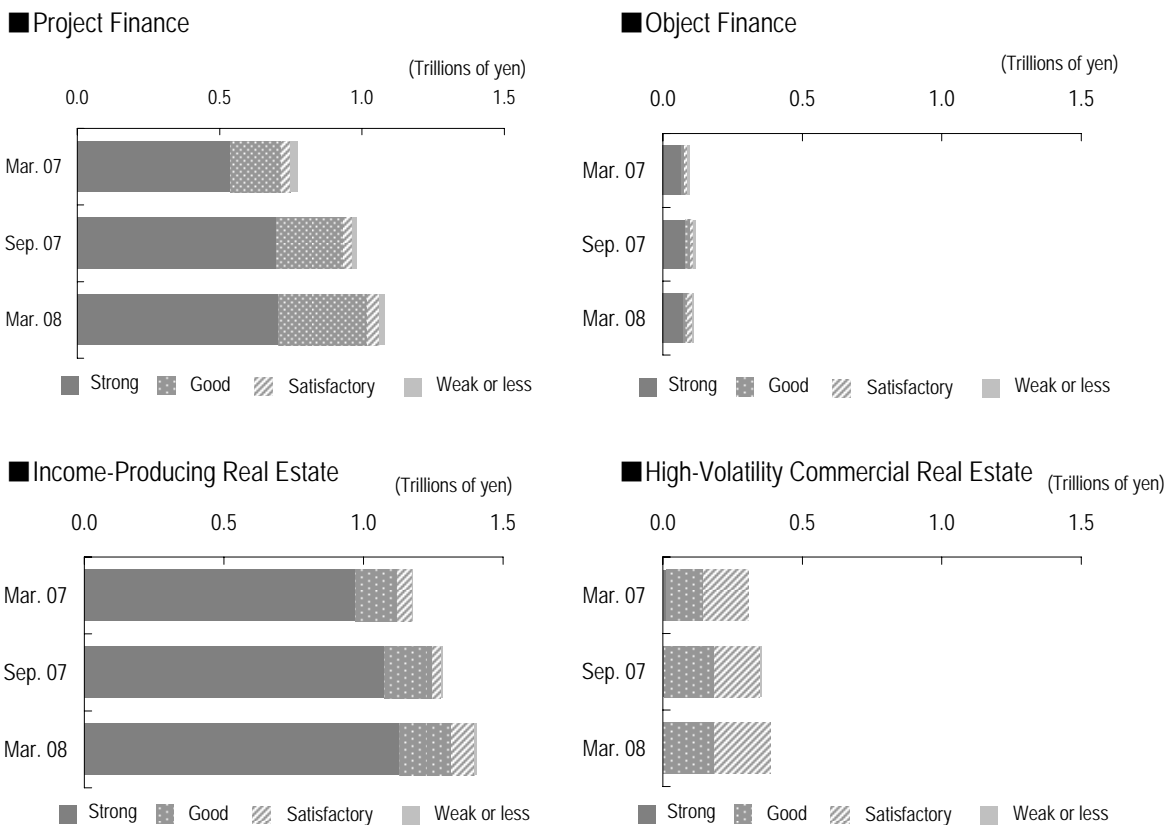
⁶ On Nov. 19, 2008, SMFG announced that these preferred securities will be redeemed in full amount on January 26, 2009

- Corporate Exposures

Corporate, Sovereign and Bank Exposures



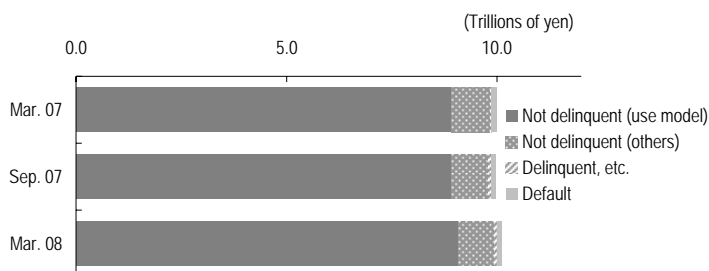
Specialized Lending (Mar. 31, 2008)



* Source: SMFG Interim Financial Report 2007 P.67-68 and Annual Report 2008 P.142-143

- Retail Exposures

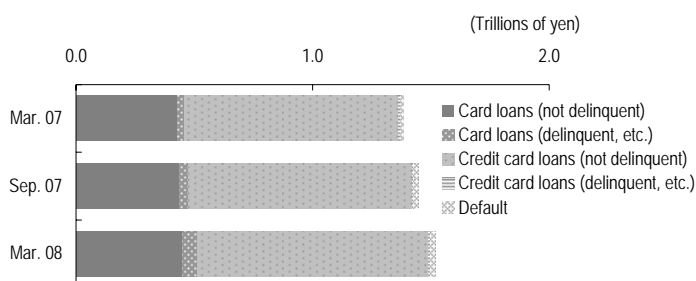
Residential Mortgage Exposures



March 31, 2008

| | PD segment | Weighted-average PD | Weighted-average LGD |
|----------------|------------------|---------------------|----------------------|
| Mortgage loans | Not delinquent | | |
| | Use model | 0.39% | 40.15% |
| | Others | 0.78% | 61.05% |
| | Delinquent, etc. | 38.53% | 44.49% |
| Default | | 100.00% | 40.94% |
| Total | | - | - |

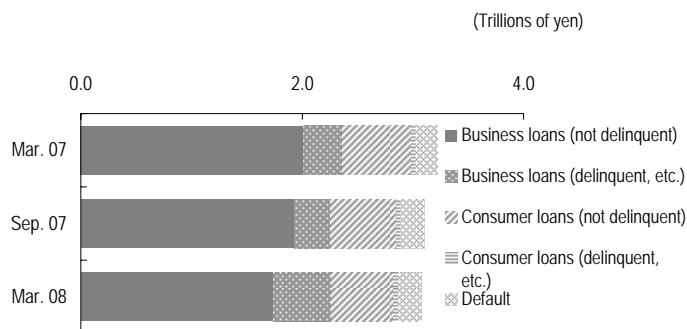
Qualifying Revolving Retail Exposures



March 31, 2008

| | PD segment | Weighted-average PD | Weighted-average LGD |
|----------------------|------------------|---------------------|----------------------|
| Card loans | Not delinquent | 2.04% | 83.41% |
| | Delinquent, etc. | 47.35% | 90.63% |
| Credit card balances | Not delinquent | 1.14% | 79.82% |
| | Delinquent, etc. | 75.37% | 82.68% |
| Default | | 100.00% | 81.79% |
| Total | | - | - |

Other Retail Exposures



March 31, 2008

| | PD segment | Weighted-average PD | Weighted-average LGD |
|------------------|------------------|---------------------|----------------------|
| Business loans | Not delinquent | | |
| | Use model | 1.16% | 62.77% |
| | Others | 1.25% | 56.70% |
| | Delinquent, etc. | 11.72% | 67.99% |
| Consumer loans | Not delinquent | | |
| | Use model | 1.63% | 43.46% |
| | Others | 1.81% | 65.68% |
| Delinquent, etc. | 31.17% | 47.27% | |
| Default | | 100.00% | 61.85% |
| Total | | - | - |

* Source: SMFG Interim Financial Report 2007, P.68-70 and Annual Report 2008, P143-146

Assets under SMBC account

(Billions of yen)

| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
| Individual deposits | 32,760.3 | 33,623.7 | 33,987.9 | 34,299.0 |
| Liquid deposits | 19,905.7 | 20,304.0 | 20,472.2 | 20,456.8 |
| Fixed-term deposits | 12,408.6 | 12,986.7 | 13,092.2 | 13,371.4 |
| Foreign currency deposits | 446.0 | 333.0 | 423.5 | 470.8 |
| Investment trusts | 2,923.6 | 3,545.4 | 3,150.6 | 2,882.8 |
| Investment trusts for individuals | 2,803.1 | 3,421.5 | 2,974.0 | 2,685.1 |

(Billions of yen)

| | FY05 | FY06 | FY07 | 1H, FY08 |
|---|----------------|----------------|----------------|----------------|
| Sales of pension-type insurances | 664.8 | 461.7 | 389.4 | 183.1 |
| Accumulated sales of pension-type insurances | 1,728.3 | 2,190.0 | 2,579.4 | 2,762.5 |

Loans

(Billions of yen)

| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|
| Housing loans | 13,771.8 | 13,557.5 | 13,647.8 | 13,759.4 |
| Residential purpose | 10,044.5 | 9,918.9 | 10,033.8 | 10,168.6 |
| Other consumer loans | 953.7 | 935.3 | 934.0 | 929.3 |

(Billions of yen)

| | FY05 | FY06 | FY07 | 1H, FY08 |
|--|--------------------|--------------------|--------------------|-------------------|
| Originated amount of residential housing loans* | 2,086.7 | 1,771.7 | 1,510.6 | 704.5 |
| Originated amount of housing loan with insurance for major serious illness | approx. 110 | approx. 270 | approx. 280 | approx. 140 |
| Securitization | approx. 450 | approx. 790 | approx. 300 | approx. 50 |

*Excluding bridge loans for loans by Japan Housing Finance Agency.

SMBC Products line-up (as of Sep. 30, 2008)

| | | Open architecture |
|----------------------|--|--|
| Third-party products | Investment trusts | 52 funds: 4 Domestic Bonds, 14 Domestic Stocks, 12 International Bonds, 13 International Stocks, 4 Balanced, 5 Foreign Investment Trusts |
| | Pension-type insurances | 16 Products |
| | Single premium type permanent life insurance | 8 Products |
| | Level premium insurance, etc.* | 18 Products |
| | Securities intermediary | 2 Foreign Bonds by public offering, 6 Foreign Bonds at secondary markets, 15 Structured Notes |
| | Investment advisory service | "SMBC Fund Wrap" |
| In-house products | Investment products | Foreign currency deposits (6 currencies), Structured deposits (3 types), etc. |
| | Loan products | Housing Loan (Floating rate / Fixed rate / Super-long-term fixed rate), Housing Loan with insurance for major serious illnesses, Investment purpose mortgage loans, etc. |
| | | <No. of supplier companies> 19 |
| | | 7 |
| | | 5 |
| | | 7 |

* Consisted of whole life insurance, term life insurance, medical insurance, cancer insurance, whole-life hospitalization insurance and children's endowment and pension-type insurance with level premium.

(3-1) Financial consulting for individuals (2)

<SMBC non-consolidated>

- Marketing channels and client segmentation

Marketing channels

(number)

| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 |
|--|---------|---------|---------|---------|
| Domestic branch ^{*1} | 411 | 406 | 416 | 418 |
| SMBC Consulting Plaza | 66 | 67 | 81 | 82 |
| Loan Promotion Office | 115 | 113 | 103 | 102 |
| <Reference> Employees ^{*2} | 16,050 | 16,407 | 17,886 | 22,113 |
| Locations where ATMs are available outside | | | | |
| SMBC branches | 1,908 | 1,854 | 1,770 | 1,789 |
| Available for 24 hours | 945 | 878 | 777 | 754 |
| ATMs (Total) | 28,212 | 30,362 | 33,704 | 34,621 |
| SMBC ATMs | 6,711 | 6,669 | 6,671 | 6,726 |
| Inside SMBC branch | 3,578 | 3,570 | 3,635 | 3,656 |
| Outside SMBC branch | 3,133 | 3,099 | 3,036 | 3,070 |
| Other ATMs | 21,501 | 23,693 | 27,033 | 27,895 |

*1 Excludes representative offices, agencies, etc.

*2 Full-time workers basis, but excluding executive officers.

Segmentation of consumer clients and marketing channels

| | | Client segments | Channels (As of Sep. 30, 08, Number) | | |
|--|--|--|---|--------------------------------------|-----------------------------------|
| Consumer clients | Ultra high net worth segment Approx. 1,000 clients | Company owners, Large-scale real estate owners, Ultra high net worth individuals | Private banker | Private Banking Dept. | |
| | Private banking segment Approx. 10,000 clients | Company owners, Semi-large-scale real estate owners, Semi-ultra high net worth individuals | Private financial consultant | Block Consumer Business Office 36 | |
| | Asset management segment Approx. 0.15 million clients | Company owners, Executives, Doctors, Lawyers, High net worth individuals | Financial consultant | | |
| | Asset building segment Approx. 9 million clients | Working householders, Retirees | "Money-Life" Consultant & "Money-Life" Advisor | Branch 418 | SMBC Consulting Plaza 82 |
| | | | Loan planner | Loan Promotion Office 102 | |
| Mass segment Approx. 17 million clients | Singles, Students, Housewives | "SMBC Direct" & ATM | | | |

(3-2) Payment & settlement, Consumer finance

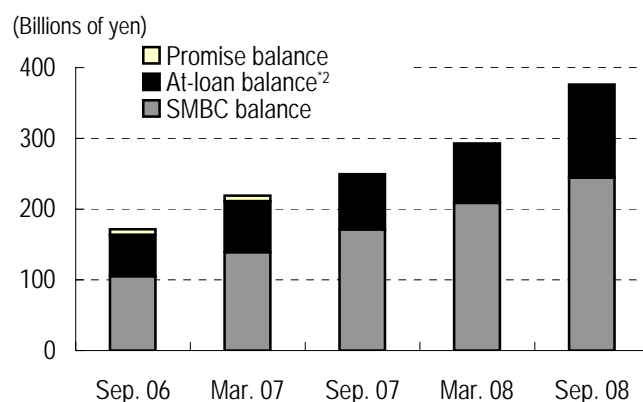
For individuals

Consumer finance

| | (Billions of yen) |
|-----------------------|-------------------|
| | Sep. 08 |
| SMBC ^{*1} | Approx. 470.0 |
| Sumitomo Mitsui Card | Approx. 330.0 |
| At-Loan ^{*1} | Approx. 130.0 |
| QUOO | Approx. 60.0 |

*1 Including loan balance related to the alliance with Promise

Total loan balance related to the alliance with Promise



*2 Excluding loans which At-loan provided before collaboration

| | (Number) | | | |
|--|----------|---------|---------|---------|
| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 |
| Number of ACMs under the alliance with Promise | 553 | 623 | 697 | 704 |

Number of registered users and transactions of SMBC's remote banking <SMBC>

| | (Thousands) | | | |
|-----------------------------------|-------------|---------|---------|---------|
| | Mar. 06 | Mar. 07 | Mar. 08 | Sep. 08 |
| Registered users of "SMBC Direct" | 6,598 | 7,437 | 8,423 | 8,873 |

| | (Millions) | | | |
|--|------------|------|------|----------|
| | FY05 | FY06 | FY07 | 1H, FY08 |
| Transactions through SMBC remote banking | 113 | 133 | 155 | 83 |
| Transactions through Internet and mobile banking | 108 | 129 | 151 | 81 |
| Transactions through telephone banking | 5 | 4 | 4 | 2 |

First introduction among the Japanese major banks: -Internet banking (Jan. 97)

-Telephone banking (Jun.97)

For corporations

Electronic banking

| (For domestic) | (Thousands) | | | | |
|---------------------------------------|-------------|---------|---------|---------|---------|
| | Sep. 06 | Mar. 07 | Sep. 07 | Mar. 08 | Sep. 08 |
| Internet banking Web 21 ^{*2} | 115 | 125 | 134 | 141 | 147 |
| Global e-Trade service | 13 | 14 | 15 | 15 | 16 |

*2 Total number of contracts for web-based electronic banking services including Internet banking PC Navi Web

(For overseas)

| | Sep. 06 | Mar. 07 | Sep. 07 | Mar. 08 | Sep. 08 |
|---|---------|---------|---------|---------|---------|
| Electronic banking for overseas ^{*3} | 4,585 | 5,057 | 5,768 | 6,086 | 6,565 |

*3 Total number of contracts for electronic banking services for overseas accounts

(3-3) Solution providing for corporations - Marketing channels, products line-up

<SMBC non-consolidated>

Marketing channels for corporate clients - number

(as of Sep. 08, number)

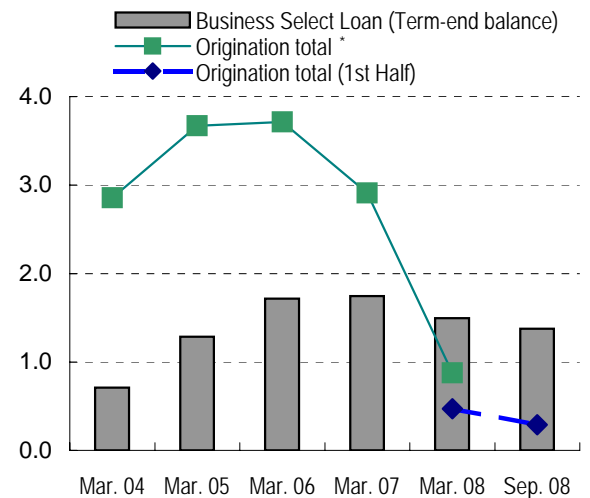
| | |
|--|------------|
| Marketing channels for corporate clients | 263 |
| Corporate Business Office (Total) | 181 |
| Corporate Business Offices not dealing with BSL* | 64 |
| Corporate Business Offices dealing with BSL* | 117 |
| Corporate Sales Office | 8 |
| Business Support Office | 18 |
| Sub-office & Corporate Sales Desk | 56 |

Channels
dealing with
BSL*
199

* BSL stands for "Business Select Loan".

Unsecured loans to SMEs - Total

(Trillions of yen)

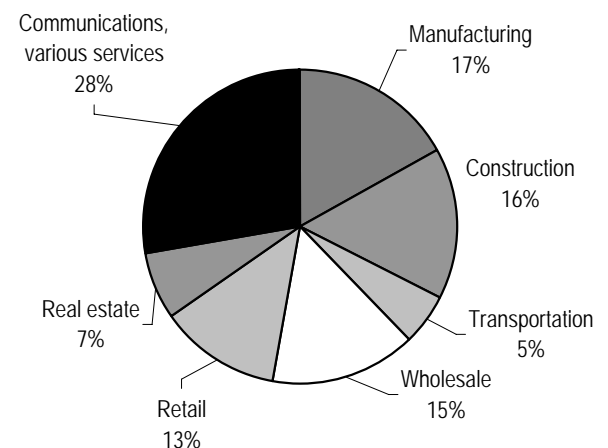


* Until Mar. 07, the amount of origination includes N-fund, SMBC-CLO etc.

Business Select Loan - Product description

- Accumulated number of origination: approx. 240,000
- Accumulated amount of origination: approx. JPY 6.6 trillion (as of Sep. 08)
- New clients ratio (FY08): approx. 2% (provided to approx. 1,000 new clients)
- Quick approval using SMBC original credit scoring model
- Targeted at corporate clients with annual sales of JPY 1 billion or less
- Unsecured, no third party guarantee
- Risk control based on diversified loan portfolio

Business Select Loan - Industry mix (Sep. 08)



Not providing to: Financial institutions,
other financing businesses and leasing

| | |
|-----------------|--|
| Product launch | March 2002 |
| Risk evaluation | SMBC original credit scoring model |
| Loan amount | maximum JPY 50 million (with monthly repayment) |
| Interest rate | 3.125% ~ - Different according to level of credit risk - Occasional discount according to overall transaction volume with SMBC |
| Loan term | Within 5 years |
| Collateral | Not required (loan term: 3 years maximum) |
| Guarantee | No third party guarantee required (Guarantee by representative director is required) |
| Fee | New clients: JPY 73,500 As from Oct. 15, 2007 (JPY 94,500 for loan amount of 30 million or more) Existing clients: JPY 31,500 (JPY 52,500 for loan amount of 30 million or more) |
| Channels | Most Corporate Business Offices, Business Support Offices, etc.: 199 locations |

Lending services for SMEs with less dependence on personal guarantees (As of Sep. 08)

| Types of loans | Number of transactions | Balance (Billions of yen) | Major products & services |
|--|------------------------|---------------------------|--|
| Loans collateralized by movable property/assigned claim* | 114 | 33.5 | Loans collateralized by accounts receivables, etc. |
| Loans utilizing covenants | 578 | 313.6 | Turnaround Loan, etc. |
| Loans utilizing credit scoring models | 153,982 | 2,353.0 | Business Select Loan and CLO |

* Including asset-backed lending.

(3-4) Investment banking business

League Tables: SMBC

Syndicated loans mandated arranger ranking^{*1}

| (Global) | | (Millions of USD) |
|----------|--------------------------------|-------------------|
| 1 | JP Morgan | 175,667 |
| 2 | Banc of America Securities LLC | 95,486 |
| 3 | Citigroup | 93,794 |
| 4 | RBS | 63,008 |
| 5 | BNP Paribas SA | 57,446 |
| 6 | SMBC | 55,774 |
| 7 | Mizuho Financial Group | 48,881 |
| 8 | Mitsubishi UFJ Financial Group | 40,105 |
| 9 | Calyon | 36,190 |
| 10 | Deutsche Bank AG | 31,192 |

(Jan. 08 - Jun. 08)

Project finance mandated arranger ranking^{*1}

| (Global) | | (Millions of USD) |
|----------|--------------------------------|-------------------|
| 1 | RBS | 9,246 |
| 2 | State Bank of India | 6,991 |
| 3 | BNP Paribas SA | 6,908 |
| 4 | Calyon | 5,586 |
| 5 | SMBC | 4,789 |
| 6 | Dexia SA | 4,497 |
| 7 | Mitsubishi UFJ Financial Group | 3,979 |
| 8 | Fortis | 3,721 |
| 9 | Mizuho Financial Group | 3,527 |
| 10 | BBVA | 2,934 |

(Jan. 08 - Jun. 08)

League Tables: Daiwa Securities SMBC

Straight bond lead manager^{*1}

| (Billions of yen) | | |
|-------------------|------------------------------|--------------------|
| | Total Amount | Share |
| 1. | Mitsubishi UFJ Securities | 1,057.0 22.0% |
| 2. | Mizuho Securities | 1,012.2 21.0% |
| 3. | Daiwa Securities SMBC | 905.6 18.8% |
| 4. | Nomura Securities | 664.6 13.8% |
| 5. | Nikko Citigroup | 611.9 12.7% |

(Apr. 08 - Sep. 08)

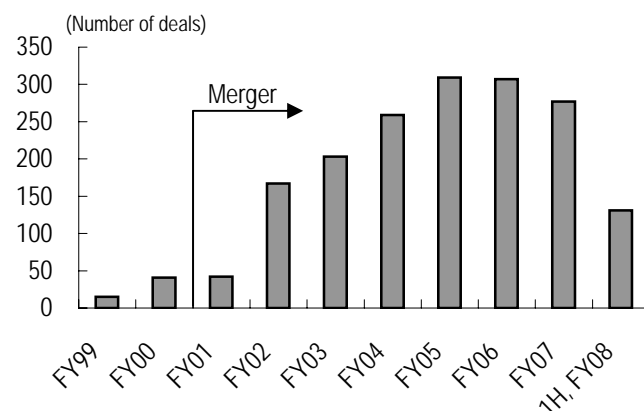
Book runner: Public offering of stock^{*1}

| (Billions of yen) | | |
|-------------------|------------------------------|-------------------|
| | Total Amount | Share |
| 1. | Nikko Citigroup | 40.8 42.4% |
| 2. | Daiwa Securities SMBC | 22.4 23.3% |
| 2. | Goldman Sachs Securities | 22.4 23.3% |
| 4. | Mitsubishi UFJ Securities | 5.2 5.4% |
| 5. | Shinko Securities | 2.7 2.8% |

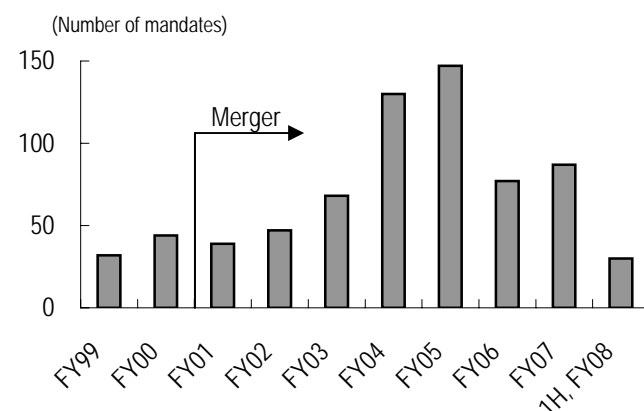
(Apr. 08 - Sep. 08)

Collaboration with Daiwa Securities SMBC

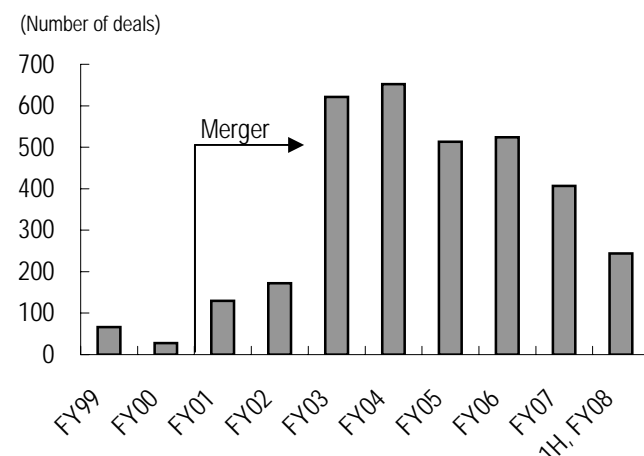
Collaboration in stock and bond underwriting



Collaboration in acquiring IPO mandates



Collaboration in brokerage business^{*2}



*1 Source: Thomson Reuters

*2 Sale/purchase of bonds, sale of stocks (block trading), etc.

<Reference 1> Global network

SMBC International Network (as of Oct. 31, 2008)

| | |
|------------------------|----|
| Branches | 19 |
| Sub-branches | 6 |
| Representative offices | 15 |
| Total | 40 |

* Based on the definition in Japan. In addition to SMBC's overseas offices, major overseas subsidiaries are also listed below

Asia and Oceania

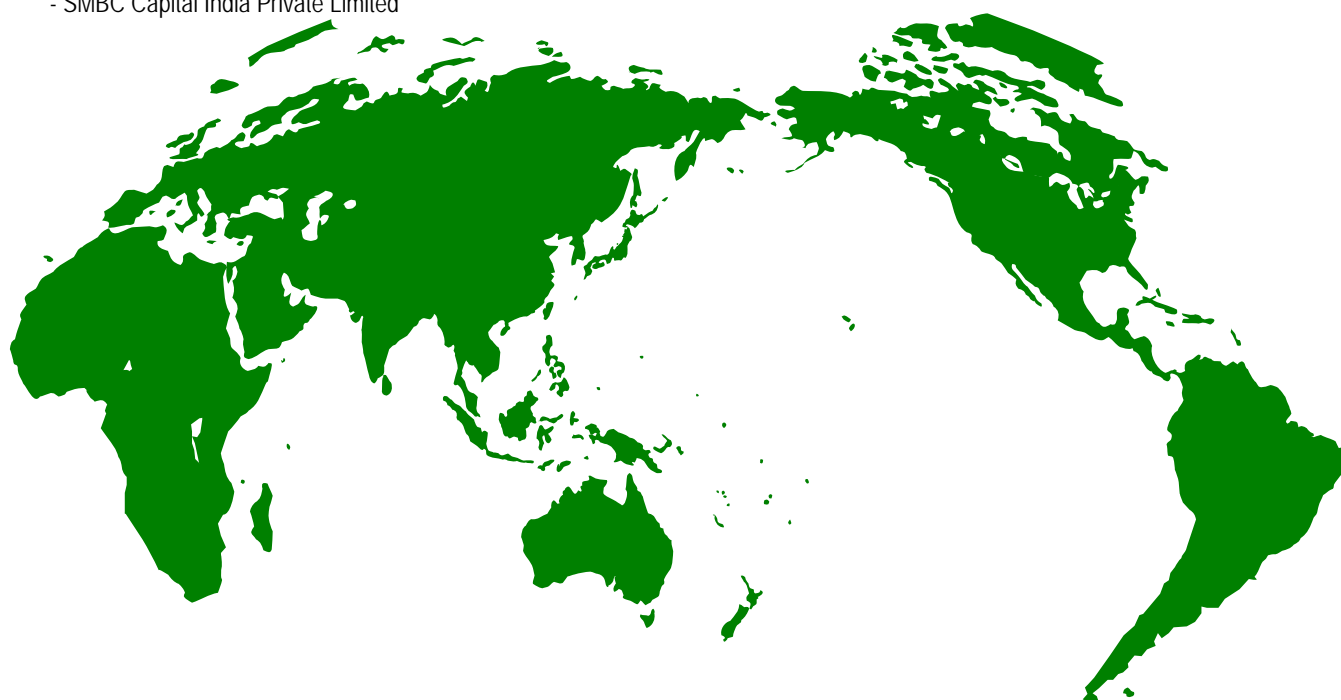
- Shanghai Branch
- Tianjin Branch
- Guangzhou Branch
- Suzhou Branch
- Hangzhou Branch
- Beijing Branch
- Tianjin Binhai Sub-Branch
- Suzhou Industrial Park Sub-Branch
- Dalian Representative Office
- Chongqing Representative Office
- Shenyang Representative Office
- Hong Kong Branch
- Taipei Branch
- Seoul Branch
- Singapore Branch
- Bangkok Branch
- Sydney Branch
- Labuan Branch
- Labuan Branch
- Kuala Lumpur Marketing Office
- Kuala Lumpur Representative Office
- Ho Chi Minh City Branch
- Hanoi Representative Office
- PT Bank Sumitomo Mitsui Indonesia
- Manila Representative Office
- Yangon Representative Office
- SMBC Capital India Private Limited

Americas

- New York Branch
- Cayman Branch
- Los Angeles Branch
- San Francisco Branch
- Houston Branch
- Manufacturers Bank
- Sumitomo Mitsui Banking Corporation of Canada
- Banco Sumitomo Mitsui Brasileiro S.A.

Europe, Middle East and Africa

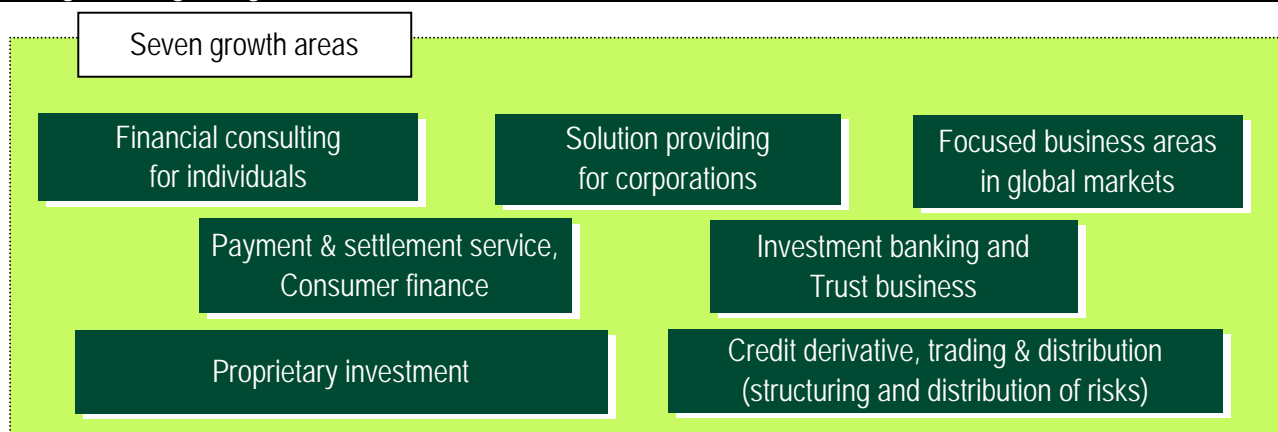
- Sumitomo Mitsui Banking Corporation Europe Limited
- Sumitomo Mitsui Banking Corporation Europe Limited Paris Branch
- Sumitomo Mitsui Banking Corporation Europe Limited Milan Branch
- Sumitomo Mitsui Banking Corporation Europe Limited Moscow Representative Office
- Düsseldorf Branch
- Brussels Branch
- Dubai Branch
- Madrid Representative Office
- Sumitomo Mitsui Finance Dublin Limited
- Bahrain Representative Office
- Tehran Representative Office
- Cairo Representative Office
- Johannesburg Representative Office
- Prague Representative Office
- SMBC Amsterdam Representative Office
- Doha QFC Office



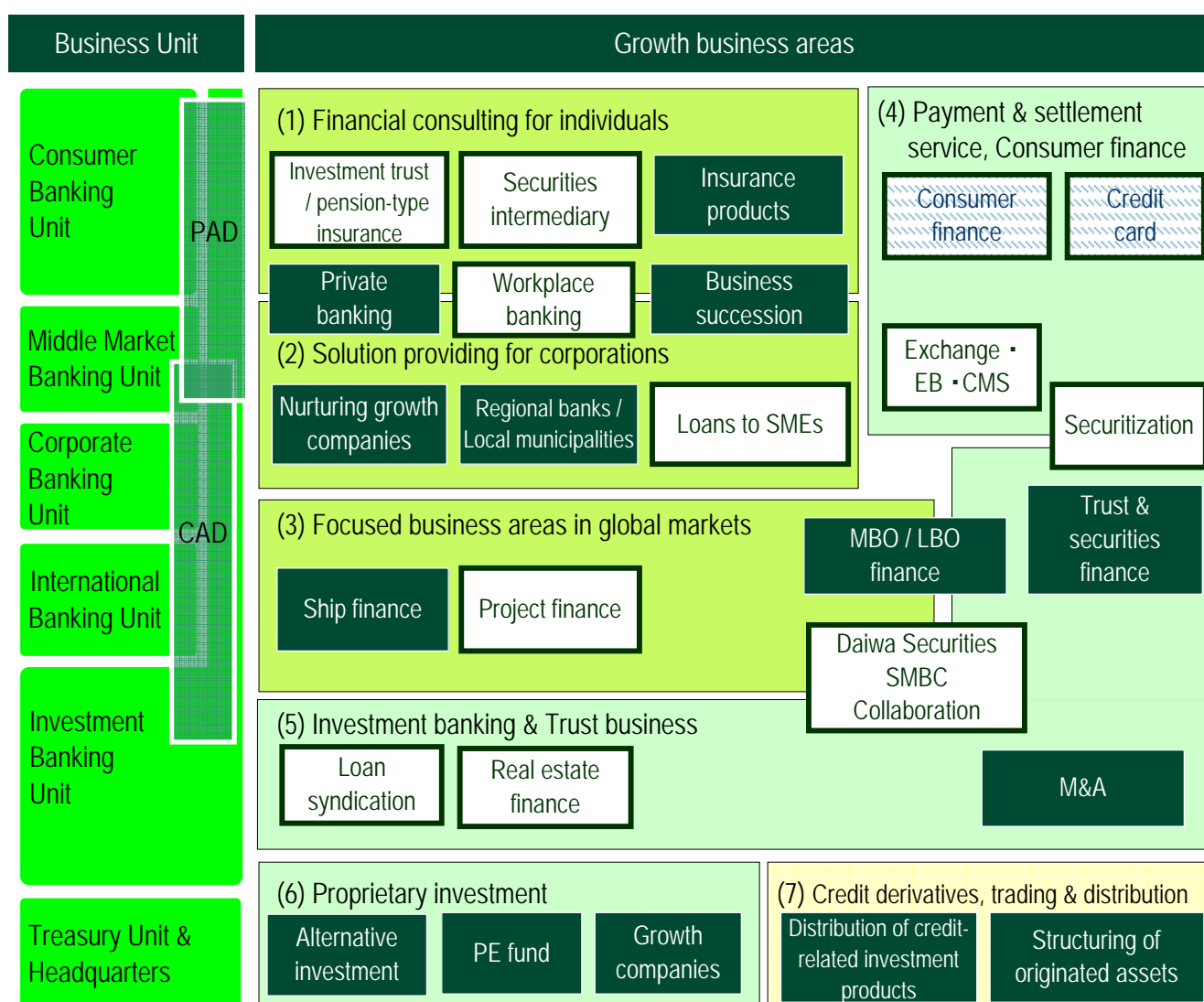
<Reference 2> Strategic initiatives in the medium-term management plan

(Published in Apr. '07)

Strengthen targeted growth business areas



Strategic initiatives in growth business areas

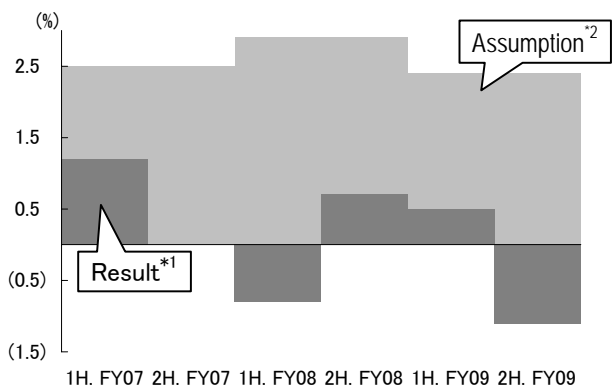


□ : Existing strategic businesses

■ : Strategic businesses defined in medium-term management plan

<Reference 3> Financial and economic Indices and market size of asset management business in Japan

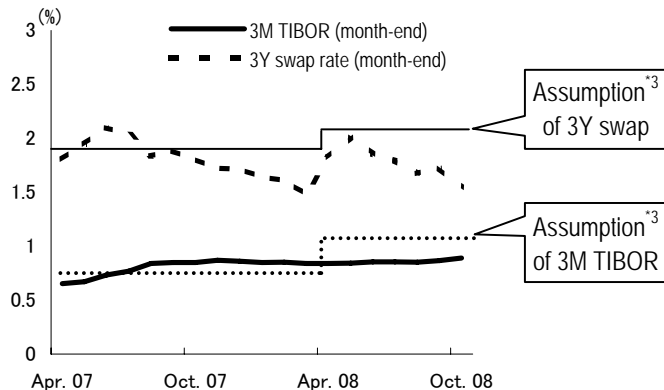
Nominal GDP Growth Rate



*1 From 2H, FY08: Estimate by the Japan Research Institute

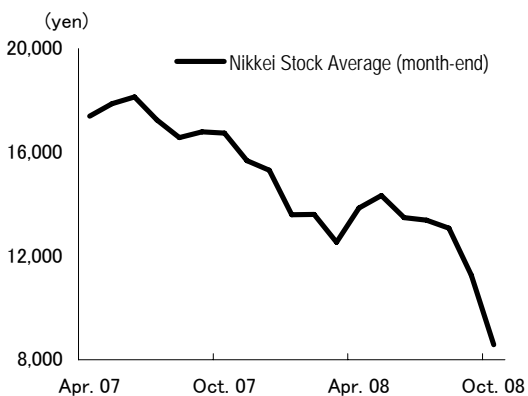
*2 Assumption in the medium-term management plan

Trends of JPY Interest Rates

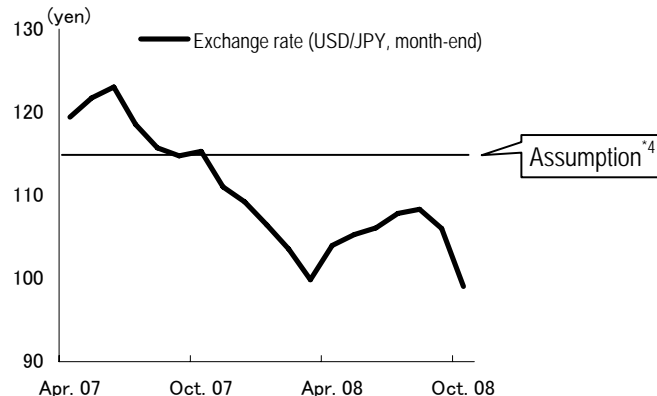


*3 Assumption in the medium-term management plan

Nikkei Stock Average

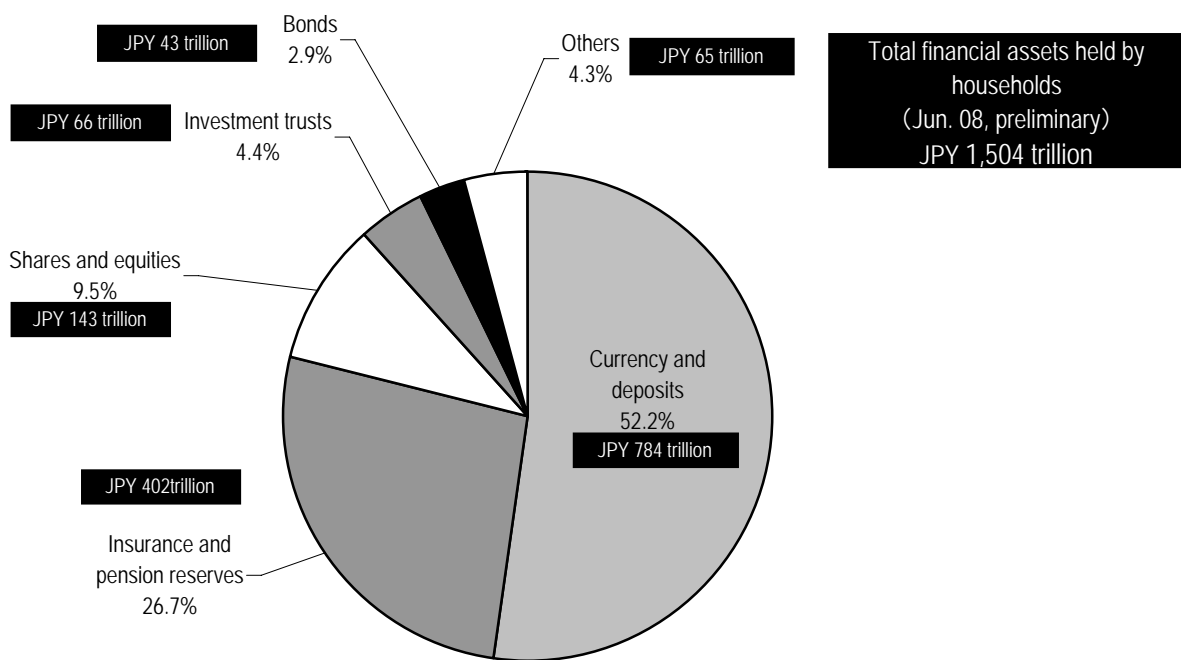


USD/JPY Exchange Rate



*4 Assumption in the medium-term management plan

Financial assets held by households in Japan



Source: Flow of Funds, Bank of Japan