

Sumitomo Mitsui Financial Group, Inc.  
Sumitomo Mitsui Banking Corporation

## **Organizational Revision of SMFG and SMBC**

TOKYO, March 30, 2007 --- Sumitomo Mitsui Financial Group, Inc. (SMFG, President: Teisuke Kitayama) and Sumitomo Mitsui Banking Corporation (SMBC, President: Masayuki Oku) announced a revision of organizational structures of both companies effective April 2, 2007. The outline of the revision is as follows.

### **<Organizational Revision of SMFG>**

#### **Establishment of Group CS Committee**

SMFG will newly establish a **Group CS Committee** in order to further improve customer satisfaction on a group basis.

### **<Organizational Revision of SMBC>**

The purpose of the organizational revision is to accelerate business development in focal areas and further strengthen internal control.

The new organizational structure will enable SMBC to meet the needs of corporate and individual customers, including business owners and employees of corporate customers, and satisfy the diversifying financial requirements of growth companies.

Regarding internal control, overseas compliance system will be strengthened further, including anti-money laundering measures.

The details of the organizational revision of SMBC are as follows:

#### **1. Revision of Business Development Framework**

##### **(1) Establishment of Private Advisory Dept.**

In order to meet a wider range of customer needs from consumer banking to corporate banking,

SMBC will establish a **Private Advisory Dept. (PAD)** which will span three business units: the Consumer Banking Unit, Middle Market Banking Unit and Corporate Banking Unit.

The PAD will supervise the Private Banking Dept., Life Planning Service Dept. – in charge of corporate employee customers and to be renamed **Corporate Employees Business Dept.**– and a newly established **Succession Business Dept.**

## **(2) Consumer Banking Business**

In order to meet a wide range of customer needs according to their stage of life through a financial consulting approach, SMBC will newly establish a **Financial Consulting R&D Dept.** within the Financial Consulting Dept. The Financial Consulting R&D Dept. will be in charge of developing new cross-category products and services covering asset management, financing, settlement finance, etc.

At the same time, SMBC will integrate the Card Loan Dept. into the Mass Retail Dept. to streamline its organization.

## **(3) Corporate Banking Business**

### **(a) Public and Financial Institutions Banking Dept.**

In order to further strengthen the banking business with public and financial institutions, SMBC has reviewed the function and responsibilities of the relevant departments, and decided to newly establish a **Public and Financial Institutions Banking Dept.** while dissolving the Public Institutions Banking Dept. The new department will be in charge of relationship management with local municipal entities and central government agencies. At the same time, the planning and promoting function related to banking business with regional financial institutions will be transferred from the Tokyo Corporate Banking Dept. VI to the new department.

Also, the Tokyo Public Institutions Business Office and the Kanagawa Public Institutions Business Office will be consolidated into a newly established **Public Institutions Business Office.**

### **(b) Small and Medium Enterprises Marketing Dept.**

The Small and Medium Enterprises Business Promotion Dept. will be renamed **Small and Medium Enterprises Marketing Dept.**, to which two of the functions of the Corporate Advisory Division will be transferred. The two functions are (a) industry marketing research and asset management consulting in specific fields such as medical facilities, schools, and religious institutions and (b) support of front offices in introducing new business partners to corporate customers.

#### **(4) Investment Banking Business**

##### **(a) Merchant Banking Dept.**

Given the diversifying financing needs of growth companies, SMBC will newly establish a **Merchant Banking Dept.** that will be in charge of nurturing growth companies through equity or other investments.

##### **(b) Securities Direct Sales Dept.**

There is a rising demand for asset management and SMBC will newly establish a **Securities Direct Sales Dept.** that will focus on direct sales of specific investment products to be sold under a separate organization in order to prevent sharing of insider information with other departments. In addition, SMBC will revise its framework to develop and sell new derivatives and investment products.

##### **(c) Global Investors Services Dept.**

In the light of the reform of the Japanese securities clearing and settlement system such as the dematerialization of stock certificates, SMBC will revise the role of the **Global Investors Services Dept.** to strengthen the securities financing business which is expected to grow further.

## **2. Revision of Internal Control System**

### **(1) Strengthen Overseas Compliance System**

In order to further strengthen its overseas compliance system, SMBC will newly establish an **International Compliance Dept.** in the Compliance Unit and a **Compliance Dept., Americas Division.**

The International Compliance Dept. will be in charge of planning the overall overseas compliance system as well as providing guidance and oversight to overseas branches on local compliance issues, while the Compliance Dept., Americas Division will be in charge of planning and executing the compliance system and program in the U.S., under the guidance and oversight of the International Compliance Dept.

### **(2) Centralization of Credit Related Risk**

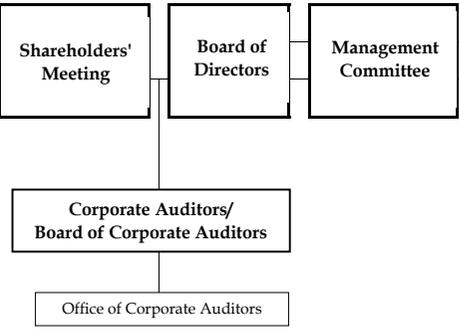
In order to establish a risk management system that will meet the diversifying financing needs of customers, SMBC has reviewed all the functions and responsibilities related to management of credit risk entailed in exposures from debt securities to equity investments. At the same time, SMBC has decided to introduce a new organizational structure that will enable it to execute full-scale active portfolio management, thereby improving the capital efficiency of its

credit portfolio.

Specifically, SMBC will reorganize the Credit Planning Dept. and the Credit Risk Management Dept., consolidating the departments into a newly established **Credit & Investment Planning Dept.** In addition, SMBC will establish a **CPM Dept.** (\*) within the Credit & Investment Planning Dept.

(\*) Credit Portfolio Management

**New Organization of SMBC  
(as of April 2, 2007)**



**Internal Audit Unit**

Internal Audit Dept.
Internal Audit Planning Dept.
Credit Review Dept.

**Corporate Staff Unit**

Public Relations Dept.
Corporate Citizenship Dept.
Corporate Planning Dept.
Financial Research Dept.
CSR Dept.
Financial Accounting Dept.
Equity Portfolio Management Dept.
Subsidiaries & Affiliates Dept.
Corporate Risk Management Dept.
Risk Management Systems Dept.
Credit & Investment Planning Dept.
CPM Dept.
IT Planning Dept.
Human Resources Dept.
Training Institute
Counseling Dept.
Human Resources Development Dept.
Quality Management Dept.
Customer Relations Dept.

**Compliance Unit**

General Affairs Dept.
Operational Risk Management Dept.
Financial Products Compliance Dept.
Antimonopoly Law Monitoring Dept.
Financial Crime Prevention Dept.
International Compliance Dept.
Legal Dept.

**Corporate Services Unit**

Administrative Services Dept.
Secretariat
Operations Planning Dept.
Operations Support Dept.
Corporate Research Dept.
Credit Administration Dept.
Trust Services Dept.

**Consumer Banking Unit**

Planning Dept., Consumer Banking Unit
Marketing Dept.
Next W-ing Project Dept.
Financial Consulting Dept.
Financial Consulting R&D Dept.
Consumer Loan Dept.
Mass Retail Dept.
Credit Dept., Consumer Banking Unit

**Block Consumer Business Office**

Branch
Consumer Loan Promotion Office
Apartment House Loan Promotion Office
Consumer Loan Servicing Center
Private Banking Dept.
Direct Banking Dept.
Consumer Finance Promotion Office

**Middle Market Banking Unit**

Public & Financial Institutions Banking Dept.
Small and Medium Enterprises Marketing Dept.
Credit Dept. I, Middle Market Banking Unit
Credit Dept. II, Middle Market Banking Unit

**Middle Market Banking Division**

Corporate Business Office
Business Promotion Office
Financial Development Office
Public Institutions Business Office
Business Support Office

**Planning Dept., Corporate Banking Unit & Middle Market Banking Unit**

Solution Promotion Dept.
Real Estate Financial Solution Dept.
International Business Promotion Dept., Corporate Banking Unit & Middle Market Banking Unit
Corporate Banking Unit & Middle Market Banking Unit
China Business Promotion Dept., Corporate Banking Unit & Middle Market Banking Unit

Private Advisory Dept.
Private Banking Dept.
Stock Execution Dept.
Corporate Employees Business Dept.
Defined Contribution Dept.
Succession Business Dept.

**Corporate Advisory Division**

Corporate Advisory Division
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**Tokyo Corporate Banking Division**

Corporate Banking Dept.
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**Osaka Corporate Banking Division**

**Nagoya Corporate Banking Division**

**Corporate Banking Unit**

Credit Dept., Corporate Banking Unit
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**International Banking Unit**

Planning Dept., International Banking Unit
IT & Business Administration Planning Dept.
Planning Dept., Americas Division
Credit Dept., Americas Division
Compliance Dept., Americas Division
Planning Dept., Europe Division
Credit Dept., Europe Division
Planning Dept., China Division
Credit Dept., International Banking Unit
Environment Analysis Dept., International Banking Unit

**Asia Pacific Division**

Global Institutional Banking Dept.
Global Client Business Dept.
Global Corporate Investment Dept.
Branches/Representative Offices in Asia Pacific Division
Departments of Americas Division
Departments of Europe Division
Branches/Representative Office in China Division

**Americas Division**

**Europe Division**

**China Division**

**Treasury Unit**

Planning Dept., Treasury Unit
Treasury Dept.
International Treasury Dept.
Trading Dept.
Treasury Marketing Dept.

**Investment Banking Unit**

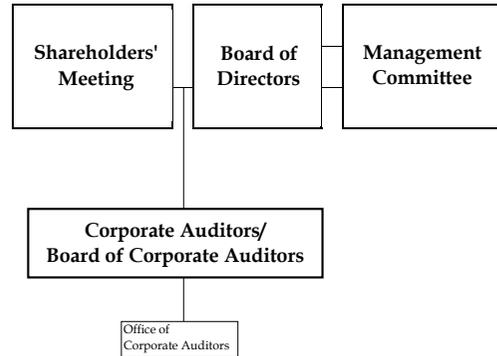
Planning Dept., Investment Banking Unit
R&D Dept.
Syndication Dept.
Corporate Finance Administration Dept.
Structured Finance Dept.
Shipping Finance Dept.
Real Estate Finance Dept.
M&A Advisory Services Dept.
Investment Development Dept.
Merchant Banking Dept.
Financial Engineering Dept.
Securities Marketing Dept.
Securities Direct Sales Dept.
Structured Finance Credit Dept.

**Settlement Finance Unit**

Electronic Commerce Banking Dept.
Transaction Business Promotion Dept.
Asset Finance Dept.
Global Investors Services Dept.

Branch Service Office
Head/Main Service Office
Public Institutions Operations Office

# Former Organization of SMBC



**Internal Audit Unit**

Internal Audit Dept.
Internal Audit Planning Dept.
Credit Review Dept.

**Corporate Staff Unit**

Public Relations Dept.
Corporate Citizenship Dept.
Corporate Planning Dept.
Financial Research Dept.
CSR Dept.
Financial Accounting Dept.
Equity Portfolio Management Dept.
Subsidiaries & Affiliates Dept.
Corporate Risk Management Dept.
Risk Management Systems Dept.
Credit Planning Dept.
Credit Risk Management Dept.
IT Planning Dept.
Human Resources Dept.
Training Institute
Counseling Dept.
Human Resources Development Dept.
Quality Management Dept.
Customer Relations Dept.

**Compliance Unit**

General Affairs Dept.
Operational Risk Management Dept.
Financial Products Compliance Dept.
Antimonopoly Law Monitoring Dept.
Financial Crime Prevention Dept.
Legal Dept.

**Corporate Services Unit**

Administrative Services Dept.
Secretariat
Operations Planning Dept.
Operations Support Dept.
Corporate Research Dept.
Credit Administration Dept.
Trust Services Dept.
Trust Business Operations Dept.

**Consumer Banking Unit**

Planning Dept., Consumer Banking Unit
Marketing Dept.
Next W-ing Project Dept.
Financial Consulting Dept.
Consumer Loan Dept.
Mass Retail Dept.
Card Loan Dept.
Private Banking Dept., Consumer Banking Unit
Credit Dept., Consumer Banking Unit

**Block Consumer Business Office**

Branch
Consumer Loan Promotion Office
Apartment House Loan Promotion Office
Consumer Loan Servicing Center
Private Banking Dept.
Direct Banking Dept.
Life Planning Service Dept.
Defined Contribution Dept.
Consumer Finance Promotion Office

**Middle Market Banking Unit**

Public Institutions Banking Dept.
Small and Medium Enterprises Business Promotion Dept.
Credit Dept. I, Middle Market Banking Unit
Credit Dept. II, Middle Market Banking Unit

**Middle Market Banking Division**

Corporate Business Office
Business Promotion Office
Financial Development Office
Public Institutions Business Office
Business Support Office

Planning Dept., Corporate Banking Unit & Middle Market Banking Unit

Solution Promotion Dept.
Real Estate Financial Solution Dept.
International Business Promotion Dept., Corporate Banking Unit & Middle Market Banking Unit
China Business Promotion Dept., Corporate Banking Unit & Middle Market Banking Unit

**Corporate Advisory Division**

**Corporate Banking Unit**

Credit Dept., Corporate Banking Unit
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**Tokyo Corporate Banking Division I**

**Tokyo Corporate Banking Division II**

**Osaka Corporate Banking Division**

**Nagoya Corporate Banking Division**

Corporate Banking Dept.
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**International Banking Unit**

Planning Dept., International Banking Unit
IT & Business Administration Planning Dept.
Planning Dept., The Americas Division
Credit Dept., The Americas Division
Planning Dept., Europe Division
Credit Dept., Europe Division
Planning Dept., China Division
Credit Dept., International Banking Unit
Environment Analysis Dept., International Banking Unit

**Asia Pacific Division**

**The Americas Division**

**Europe Division**

**China Division**

Global Institutional Banking Dept.
Global Client Business Dept.
Global Corporate Investment Dept.
Branches/Representative Offices in Asia Pacific Division
Departments of the Americas Division
Departments of Europe Division
Branches/Representative Offices in China Division

**Treasury Unit**

Planning Dept., Treasury Unit
Treasury Dept.
International Treasury Dept.
Trading Dept.
Treasury Marketing Dept.

**Investment Banking Unit**

Planning Dept., Investment Banking Unit
R&D Dept.
Syndication Dept.
Corporate Finance Administration Dept.
Structured Finance Dept.
Shipping Finance Dept.
Real Estate Finance Dept.
M&A Advisory Services Dept.
Investment Development Dept.
Financial Engineering Dept.
Securities Marketing Dept.
Structured Finance Credit Dept.

**Settlement Finance Unit**

Electronic Commerce Banking Dept.
Transaction Business Promotion Dept.
Asset Finance Dept.
Global Investors Services Dept.