

Revised Organizations of SMFG and SMBC

TOKYO, April 1, 2005 --- Sumitomo Mitsui Financial Group, Inc. (SMFG, President and CEO: Yoshifumi Nishikawa) and Sumitomo Mitsui Banking Corporation (SMBC, President and CEO: Yoshifumi Nishikawa) today announced the revised organizational structure of both companies. The outline of the revisions is as follows:

< Organizational revision of SMFG >

1. Reinforcement of group-based management of subsidiaries and affiliates

SMFG has established a new department (Consumer Business Planning Dept.) to manage its group-wide credit card and consumer finance businesses, one of its key strategic domains, with the aim of accelerating group-based management further.

The new department will supervise SMBC's consumer finance business and the five group companies engaged in consumer finance related businesses (Sumitomo Mitsui Card Company, Limited (SMCC), Promise Co., Ltd., At-Loan Co., Ltd., SAKURA CARD CO., Ltd., and QUOO Inc.), and establish consistent, group-wide strategies in the consumer finance business.

2. Reinforcement of promotion of Corporate Social Responsibility (CSR)

SMFG has established a new committee (Group CSR Committee) operated by the Corporate Planning Dept. to strengthen the promotion of CSR on a SMFG group basis. (As a result, the Group Environmental Committee will be dissolved, and the function of the committee will be taken over by the Group CSR Committee.)

The Group CSR Committee members are SMFG, SMBC, SMCC, SMBC Leasing Company, Limited, and The Japan Research Institute, Limited.

< Organizational revision of SMBC >

1. Structural reorganization of existing business lines

(1) Dissolution of Asset Restructuring Unit

Since its establishment in December 2002, the Asset Restructuring Unit (ARU) has concentrated on corporate revitalization and business restructuring of SMBC borrowers. As a result, SMBC achieved the target of halving the problem asset ratio at the end of the first half of fiscal 2004 and strengthened its financial base, thereby being better prepared for future risks. With the termination of non-performing loan problem, SMBC dissolved ARU effective March 31, 2005.

The accumulated expertise of the ARU has been succeeded by other units, enhancing SMBC's ability to establish new business lines related to corporate revitalization, business restructuring, etc. In particular, ARU's fund investment function has been succeeded by a new department (Investment Development Dept.) established within the Investment Banking Unit to expand SMBC's investment activities in corporate revival funds and private equity funds.

Along with the dissolution of ARU, the Tokyo Corporate Business Office, the Osaka Corporate Business Office, and the Credit Dept. III have been newly established within the Middle Market Banking Unit. Within the Corporate Banking Unit, the Tokyo Corporate Banking Dept. VIII and the Credit Dept. II have been newly established. At the same time, the Credit Administration Dept. of the dissolved ARU, responsible mainly for disposals of problem assets such as loans to potentially bankrupt borrowers, has been transferred to the Corporate Services Unit.

(2) Dissolution of Community Banking Unit

SMBC established the Community Banking Unit (CBU) in March 2003 when it merged with the former Wakashio Bank. CBU succeeded Wakashio Bank's branches and related business promotion and management functions. Since then, CBU has been working to strengthen business with small and medium-sized enterprises and individuals by combining and developing Wakashio Bank's community-based services and SMBC's high capability to provide sophisticated financial products.

As considerable progress has been made in integrating these business models, CBU has been dissolved in order to further accelerate the integration and enable SMBC to improve customer services. Various functions of the CBU will be integrated into other business units, mainly into the Consumer Banking Unit and the Middle Market Banking Unit.

The Administrative Services for Community Banking, the Internal Audit Dept. for Community Banking, and the Credit Review Dept. for Community Banking have been dissolved also.

(3) Transition to new structure for managing branches

SMBC will reorganize its domestic branches under the "New Structure for Managing Branches" (NSMB) framework in order to further improve customer services and to accelerate business development.

Under the NSMB, an existing domestic branch will be disintegrated into a "Branch" and a "Service Office." Branches specialize in business promotion targeting individuals, while Service Offices concentrate on providing high-quality back-office operations in order to improve customer satisfaction, establish advanced compliance and operations management system, and develop a more efficient back-office operation and management.

The Shinjuku Branch Service Office and Nagoya Branch Service Office newly established within the Shinjuku Branch and Nagoya Branch, respectively, started operating today. Other domestic branches will successively shift to the NSMB framework and the transition of all domestic branches will be completed by the end of the fiscal 2006.

Service Offices will belong to the Corporate Service Unit. SMBC will open "Business Service Offices" in Branches, "Main Service Offices" in Corporate Business Offices, and "Public Institutions

Operations Offices” which will be responsible for dealing with public money.

In addition to the above, the following revisions have been implemented:

- The Operations & Administration Dept. and the Branch Operations Dept. have been dissolved, whilst Operations Support Dept. has been newly established in the Operations Planning Dept. Operations planning and support functions have been reorganized and centralized into the Operations Planning Dept. and the Operations Support Dept.
- As a marketing channel of the International Banking Unit, Treasury Dept., Europe Division has been established to centralize the currently decentralized treasury functions in Europe Division.
- The Legal Dept. and the Customer Relations Dept. of the General Affairs Dept. within the Corporate Staff Unit, have been transferred to the Corporate Service Unit.

2. Reinforcing efforts to expand into new business lines

(1) Reinforcement of investment banking business

- (A) The business scale of Securitization & Syndication Dept. has been growing, and in order to make the organization more efficient and to clarify each mission, the department has been split into two new departments: Syndication Dept. (in charge of syndication) and Asset Finance Dept. (in charge of securitization). As a result of the split-up, Securitization & Syndication Dept. has been dissolved.
- (B) In view of the expansion of the real estate finance business, which hitherto has been managed by the Structured Finance Dept., a new department has been established (Real Estate Finance Dept.) to intensively promote the real estate finance business.
- (C) A new department (R&D Dept.) has been established in the Planning Dept. of the Investment Banking Unit (IVBU) to strengthen development of new services and products, taking over the product development function of the New Products Group of the Structured Finance Dept. of the IVBU.

(2) Reinforcement of settlement related business

The clearing business currently managed by the Operations Planning Dept. has been integrated into the Global Investors Services Dept. currently in charge of securities processing services such as custody services, in order to centralize the currently decentralized functions of securities processing and settlement related business.

Along with the establishment of the Consumer Business Planning Dept., the Mass Marketing Dept. and the Consumer Finance Dept. have been renamed “Mass Retail Dept.” and “Card Loan Dept.” respectively.

3. Preparing for implementation of New Basel Capital Accord (Basel II)

(1) Enhancement of operational risk management

A new department (Operational Risk Management Dept.) has been established within the General Affairs Dept. to improve the effectiveness of operational risk management in advance of the implementation of the New Basel Capital Accord (Basel II).

(2) Making credit portfolio more efficient

A new department (Credit Risk Management Dept.*) has been established within the Credit Planning Dept.* in advance of the implementation of the New Basel Accord to achieve a more efficient credit portfolio (plan and develop active portfolio management), and to establish the framework for managing assets with various risk profiles.

* The former Credit Risk Management Dept. has been renamed the Credit Planning Dept.

4. Reinforcement of Corporate Governance System

(1) Reinforcement of compliance capabilities in securities business

In line with the expansion of securities related businesses, such as the commencement of the securities intermediary business, a new department (Securities Compliance Dept.) has been established in the General Affairs Dept. to centralize currently dispersed functions related to securities compliance, thereby strengthening SMBC's compliance capabilities in securities business.

(2) Reinforcement of promoting CSR

A new department (CSR Dept.) has been established within the Corporate Planning Dept and a CSR Committee operated by the department, thereby strengthening the promotion of CSR. (As a result, the existing Environmental Committee has been taken over by the CSR Committee.)

New Organization of SMFG
(As of April 1, 2005)

Shareholders'
Meeting

Board of Directors
Risk Management
Committee
Compensation Committee
Nominating Committee

Group Strategy
Committee

Management
Committee

Corporate Auditors /
Board of Corporate Auditors

Office of Corporate Auditors

Public Relations Dept.
Corporate Planning Dept.
Investor Relations Dept.
Financial Accounting Dept.
Subsidiaries & Affiliates Dept.
Consumer Business Planning Dept.
IT Planning Dept.
General Affairs Dept.
Human Resources Dept.
Corporate Risk Management Dept.
Audit Dept.

Former Organization of SMFG

Shareholders'
Meeting

Board of Directors
Risk Management
Committee
Compensation Committee
Nominating Committee

Group Strategy
Committee

Management
Committee

Corporate Auditors /
Board of Corporate Auditors

Office of Corporate Auditors

- Public Relations Dept.
- Corporate Planning Dept.
- Investor Relations Dept.
- Financial Accounting Dept.
- Subsidiaries & Affiliates Dept.
- IT Planning Dept.
- General Affairs Dept.
- Human Resources Dept.
- Corporate Risk Management Dept.
- Audit Dept.

**New Organization of SMBC
(As of April 1, 2005)**

Internal Audit Unit
Internal Audit 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.
General Affairs Dept.
Operational Risk Management Dept.
Securities Compliance Dept.
Human Resources Dept.
Training Institute
Counseling Dept.
Human Resources Development Dept.

Corporate Services Unit
Administrative Services Dept.
Secretariat
IT Planning Dept.
Operations Planning Dept.
Operations Support Dept.
Electronic Commerce Banking Dept.
Global Cash Management Dept.
Corporate Research Dept.
Legal Dept.
Customer Relations Dept.
Credit Administration Dept.
Trust Services Dept.

Consumer Banking Unit
Planning Dept., Consumer Banking Unit
Financial Consulting Dept.
Consumer Loan Dept.
Mass Retail Dept.
Card Loan Dept.
Credit Dept., Consumer Banking Unit
Block Consumer Business Office
Branch
Consumer Loan Promotion Office
Consumer Loan Servicing Center
Private Banking Dept.
Direct Banking Dept.
Life Planning Service Dept.
Consumer Finance Promotion Office

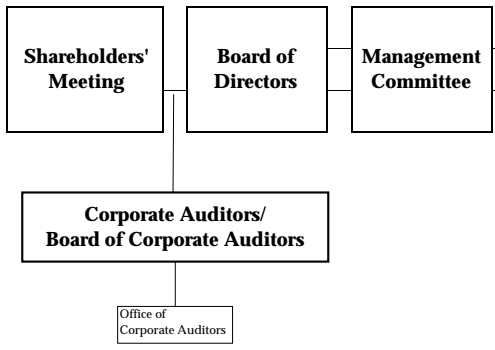
Middle Market Banking Unit
Planning Dept., Middle Market Banking Unit
Business Promotion Dept., Middle Market Banking Unit
International Business Promotion Dept., Middle Market Banking Unit
China Business Promotion Dept., Middle Market Banking Unit
Public Institutions Banking Dept.
Business Owner Banking Dept.
Credit Dept. I, Middle Market Banking Unit
Credit Dept. II, Middle Market Banking Unit
Credit Dept. III, Middle Market Banking Unit
Middle Market Banking Division
Corporate Business Office
Business Promotion Office
Corporate Advisory Office
Public Institutions Business Office
Business Support Office

Corporate Banking Unit
Planning Dept., Corporate Banking Unit
Credit Dept. I, Corporate Banking Unit
Credit Dept. II, Corporate Banking Unit
Tokyo Corporate Banking Division I
Tokyo Corporate Banking Division II
Osaka Corporate Banking Division
Nagoya Corporate Banking Division
Corporate Banking Dept.

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
Credit Dept., International Banking Unit
Asia Pacific Division
The Americas Division
Europe Division
Global Institutional Banking Dept.
Global Investors Services Dept.
Global Client Business Dept.
Branches/Representative Offices in Asia Pacific Division
Departments of the Americas Division
Departments of Europe 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
Structured Finance Credit Dept.
R&D Dept.
Syndication Dept.
Asset Finance Dept.
Derivatives and Financial Engineering Dept.
Structured Finance Dept.
Real Estate Finance Dept.
M&A Advisory Services Dept.
Corporate Finance Services Dept.
Securities Marketing Dept.
Investment Development Dept.



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

**Former Organization of SMBC
(As of December 1, 2004)**

