

Sumitomo Mitsui Financial Group Announces
Revision of Earnings Forecasts of
a Consolidated Subsidiary (Kansai Urban Banking Corporation)

TOKYO, October 28, 2005 --- Sumitomo Mitsui Financial Group, Inc. (SMFG) hereby announces that Kansai Urban Banking Corporation, a consolidated subsidiary of SMFG, has revised its earnings forecast published on May 23, 2005 (see Appendix).

(Appendix)

Kansai Urban Banking Corporation Announces
Revision of Earnings Forecast for the Six Months Ended September 30, 2005

OSAKA, Japan, October 28, 2005--- Kansai Urban Banking Corporation (KUBC) announced today the revision of its previous earnings forecast for the six months ended September 30, 2005, which was published on May 23, 2005.

1. Revision of Earnings Forecast for the Six Months ended September 30, 2005

(Consolidated)

(Millions of Yen)

	Total Income	Ordinary Profit	Net Income
Previous Forecast (A)	36,600	2,900	1,200
Revised Forecast (B)	40,500	7,400	3,200
Difference (B) - (A)	+3,900	+4,500	+2,000
Percentage Change	+10.6%	+155.1%	+166.6%
(Ref.) Previous 1st Half	34,606	7,327	4,989

(Non-consolidated)

(Millions of Yen)

	Total Income	Ordinary Profit	Net Income
Previous Forecast (A)	31,000	5,200	3,700
Revised Forecast (B)	37,600	9,400	5,200
Difference (B) - (A)	+6,600	+4,200	+1,500
Percentage Change	+21.2%	+80.7%	+40.5%
(Ref.) Previous 1st Half	29,072	7,195	4,805

2. Factors behind the revision

(1) Non-consolidated earnings

Loans and bills discounted are expected to significantly increase by 121.9 billion yen (+6.5%) compared with March 31, 2005 and by 230.0 billion yen (+13.0%) compared with September 30, 2004 mainly due to increase in loans to small and medium-sized enterprises and individuals. In addition, fee income is expected to expand steadily because of good sales of investment trusts and pension-type insurances. Consequently, core banking profit is expected to amount to 11.4 billion yen, greatly exceeding the previous forecast of 10.3 billion yen. Moreover, security-related gains are also expected to increase compared with the previous forecast. As a result, total income is expected to be 37.6 billion yen, an increase of 6.6 billion yen from the previous forecast.

Ordinary profit is expected to amount to 9.4 billion yen, an increase of 4.2 billion yen (+80.7%) compared with the previous forecast, and net income 5.2 billion yen, an increase of 1.5 billion yen (+40.5%) compared with the previous forecast, mainly because credit cost is expected to be lower than the previous forecast.

KUBC is expected to record the best first half, core banking profit, ordinary profit, and net income.

(2) Consolidated earnings

The revision of consolidated earnings forecast is mainly due to the revision of non-consolidated earnings.

KUBC will publish its earnings forecast for fiscal 2005 ending March 31, 2006 in November when it announces financial results for the first half of fiscal 2005.

(References)

1. Key Financial Data (Non-consolidated)

(Billions of Yen)

	Sept. 30, 2004 Actual	Mar. 31, 2005 Actual	Sept. 30, 2005 Estimate	Change	
				From Sept. 30, 2004	From Mar. 31, 2005
Core Banking Profit	9.6	20.0	11.4	+1.8	-
Ordinary Profit	7.1	9.6	9.4	+2.3	-
Net Income	4.8	6.1	5.2	+0.4	-
Capital ratio	8.60%	8.52%	Approx. 8.4%	Approx. (0.2%)	Approx. (0.1%)
Deferred tax assets / Tier1	22.4%	19.4%	Approx. 18%	Approx. (4.4%)	Approx. (1.4%)
NPL ratio	4.7%	3.9%	3.5%	(1.2%)	(0.4%)
Core ROA	0.89%	0.88%	0.92%	+0.03%	+0.04%
Core ROE	28.5%	29.2%	31.0%	+2.5%	+1.8%
Core OHR	60.0%	59.5%	56.2%	(3.8%)	(3.3%)

2. Balance of Deposits and Loans

(Billions of Yen)

	Sep. 30, 2004 Actual	Mar. 31 2005 Actual	Sep. 30, 2005 Estimate	Change		
				From Sep. 30, 2004	Percentage change	From Mar. 31, 2005
Deposits	1,947.6	2,142.9	2,252.5	+304.9	+15.6%	+109.6
Individuals' deposits	1,423.0	1,537.6	1,567.9	+144.9	+10.1%	+30.3
Loans	1,762.4	1,870.5	1,992.4	+230.0	+13.0%	+121.9
Housing loans	609.6	642.8	672.5	+62.9	+10.3%	+29.7

*1. Figures are rounded down to the hundred-million.

*2. Figures in parenthesis indicate the amount of decrease.