

JRI to Establish New Company through Corporate Split

TOKYO, March 9, 2006 --- Sumitomo Mitsui Financial Group, Inc. (SMFG, President: Teisuke Kitayama) hereby announces that The Japan Research Institute, Limited (JRI, President: Shunichi Okuyama), a wholly-owned subsidiary of SMFG, today resolved to establish a new company through a corporate split at the meeting of Board of Directors of JRI.

1. Object of establishment of new company through corporate split

JRI will establish a new company, tentatively named “JRI Solutions Ltd.” (JRIS), which will become a wholly owned subsidiary of JRI, in order to strengthen the IT solutions business targeting mainly customers other than the SMFG group companies.

JRIS will more aggressively promote marketing of IT solutions that meet customer needs, utilizing the highly innovative system development and data processing know-how of JRI.

Meanwhile, JRI will retain the think-tank services and consulting business and strengthen its ability to support Sumitomo Mitsui Banking Corporation (SMBC) and other SMFG group companies in system development and data processing for their strategic businesses such as the credit card business, as the “Group’s IT company.”

2. Summary of corporate split

(1) Schedule of corporate split (planned)

JRI board meeting for approval of basic corporate split policy:	March 9, 2006
JRI general meeting of shareholders for approval of corporate split:	May 15, 2006
Date of corporate split:	July 1, 2006
Registration of corporate split:	July 3, 2006

(2) Method of corporate split

JRI will be the split company and JRIS will be the newly established company.

(3) Allotment of shares

JRIS will allot all common shares it will issue at the time of the corporate split to JRI and become a wholly-owned subsidiary of JRI.

(4) Cash payment

No cash payment will be made on the corporate split.

(5) Assets, liabilities, claims and obligations to be transferred to JRIS

JRIS will basically succeed the assets, liabilities, related claims and obligations of current JRI’s IT business for customers other than the SMFG group companies.

(6) Prospect for fulfillment of obligations

JRI has decided that, after the corporate split, each of JRI and JRIS can fulfill its obligations.

3. Profile of JRI and JRIS after corporate split

	Company to be split	Newly established company (planned)
(1) Corporate name	The Japan Research Institute, Limited	JRI Solutions Ltd.
(2) Business description	<ul style="list-style-type: none">• System development• Data processing• Consulting business• Think-tank services	<ul style="list-style-type: none">• System development• Data processing• Consulting for IT business
(3) Establishment	November, 2002	July, 2006
(4) Head office address	16 Ichiban-cho, Chiyoda-ku, Tokyo	16 Ichiban-cho, Chiyoda-ku, Tokyo
(5) Capital stock	10 billion yen	5 billion yen
(6) Representative	Shunichi Okuyama	Masaya Onagi
(7) Main customers	<ul style="list-style-type: none">• SMBC• Sumitomo Mitsui Card Company, Limited• SMBC Leasing Company, Limited• Government and other public offices	<ul style="list-style-type: none">• Corporations• Government and other public offices• Local public authorities• Schools
(8) Principal shareholders and holdings	SMFG 100%	JRI 100%
(9) Total assets and business results	Fiscal year ended March 31, 2005 <ul style="list-style-type: none">• Total Assets 79.4 billion yen• Sales: 111.2 billion yen• Operating profit: 6.3 billion yen	—

4. Outline of business to be split

(1) Business to be split

IT business mainly targeting customers other than the SMFG group companies

(2) Sales volume of business to be split

Sales 36.5 billion yen

(3) Assets and liabilities of business to be split

To be determined

5. SMFG's earnings forecasts

The corporate split will not affect SMFG's earnings forecasts for the year ending March 31, 2006.