

Sumitomo Mitsui Financial Group, Inc.
Sumitomo Mitsui Banking Corporation

Organizational Revision of SMFG and SMBC

TOKYO, March 31, 2006 --- Sumitomo Mitsui Financial Group, Inc. (SMFG, President: Teisuke Kitayama) and Sumitomo Mitsui Banking Corporation (SMBC, President: Masayuki Oku) announced today a revision of organizational structures of both companies effective April 3, 2006. The outline of the revision is as follows:

<Organizational revision of SMFG>

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

SMFG will newly establish an **Investment Banking Planning Dept.** in order to strengthen its organizational structure for promoting investment banking business across the group.

2. Strengthening of organizational structure for promoting CSR activities

SMFG will newly establish a **Group CSR Dept.** responsible for planning of, and external communication on, CSR activities.

<Organizational revision of SMBC>

One of SMBC's management philosophies is "to provide optimum added value to our customers and together with them achieve growth."

At the start of the fiscal year 2006, SMBC has renewed its commitment to this principle by reinforcing its "**customer-centric approach**" and establishing a new organizational structure that will enable it to actively respond to customer needs. With the new organizational structure, SMBC will accelerate business development and strengthen internal control in order to further seek **sound profitability**.

SMBC will strengthen its framework to develop corporate banking business through a number

of measures. One of the measures is the establishment of a Corporate Advisory Division which will actively provide solutions to corporate customers' management issues.

From the perspective of internal control, SMBC will newly establish a Quality Management Dept. in order to actively reflect customer views in its operations and management, and continue to make every effort to improve the quality of products and services and enhance customer satisfaction.

The details of the revision of SMBC are as follows:

1. Strengthening banking business for corporations - Reorganization of the Middle Market Banking Unit (MMBU) and the Corporate Banking Unit (CPBU)

(1) Organizational revision of marketing channel

SMBC will establish the **Corporate Advisory Division (CAD)** in order to actively provide solutions to management issues of corporate customers.

Different groups will be established for each industry in the CAD to which accumulated know-how and information on each industry will be concentrated. With a staff of approximately 140 professionals, the CAD will utilize such information and provide comprehensive, management solutions to various customer needs, such as business expansion and M&A, in close collaboration with departments of the International Banking Unit and the Investment Banking Unit, credit departments, research departments, Daiwa Securities SMBC, and hitherto marketing channels such as the Corporate Banking Departments and Corporate Business Offices.

The establishment of the CAD will further strengthen SMBC's capability to provide the most appropriate solutions to customers, thereby contributing to their efforts to enhance corporate value and realizing one of its management philosophies of "to achieve growth together with customers."

(2) Organizational revision of headquarters

In order to promote domestic banking business for corporations in an integrated way, SMBC will combine the Planning Dept. of the MMBU and the Planning Dept. of the CPBU into a new

department, **Planning Dept., CPBU & MMBU (“PDCM”)**.

The PDCM will have two internal departments, **Solution Promotion Dept.** and **Real Estate Financial Solution Dept.**

The Solution Promotion Dept. will support business operations of the marketing channels so that they can maintain a proper balance in their efforts to achieve short-term goals and medium-term goals.

Meanwhile, the Real Estate Financial Solution Dept., to which real estate information will be concentrated, will provide customers with real estate related financial solutions.

In addition, SMBC will newly establish a **Small and Medium Enterprises Business Promotion Dept. (“SMED”)** in order to centralize the currently dispersed SME product development, strategic planning, and branch support functions in one department, thereby strengthening its capability to support SME customers’ financial needs.

The Planning Dept., Business Promotion Dept. and Business Owner Banking Dept. of the MMBU, and the Planning Dept. of the CPBU will be integrated into the CAD or the above departments to be newly established at the headquarters.

(3) Organizational revision of credit departments

Reflecting the progress it has been making in disposing nonperforming loans, SMBC will reorganize the credit departments of the MMBU and the CPBU (Credit Dept. I, II, III, MMBU, and Credit Dept. I, II, CPBU) into **Credit Dept. I, II, MMBU** and **Credit Dept., CPBU** in order to further improve the efficiency of those departments. It will also reorganize the **Structured Finance Credit Dept.**

Pursuant to this reorganization, the Credit Dept. III, MMBU and the Credit Dept. I, II, CPBU will be dissolved.

2. Strengthening banking business for corporations - Reorganization of the Investment Banking Unit (“IVBU”)

In order to provide better products and services under the customer-centric approach, SMBC

will reorganize departments of IVBU as follows, thereby reducing the number of departments responsible for serving customer needs of financing and asset management consulting, etc., for more effective operation.

- (1) In order to strengthen its capability to respond to corporate customers' financing needs, SMBC will integrate the Corporate Finance Services Dept. into the Syndication Dept. At the same time, SMBC will newly establish a **Corporate Finance Administration Dept.** within the Syndication Dept. The dispersed middle office functions of loan syndication and corporate bond related business will be centrally administered by the new department.
- (2) In order to strengthen its capability to respond to the asset management needs of customers, SMBC will integrate the asset management consulting function of the former Business Promotion Dept. into the Derivatives & Financial Engineering Dept., and the department will be renamed "**Financial Engineering Dept.**"
- (3) In order to integrate the money settlement and financing services, SMBC will transfer the Electronic Commerce Banking Dept. (ECBD) and the Global Investors Services Department, to the IVBU. These two departments and the Asset Finance Dept. will be combined to create a **Settlement Finance Unit within the IVBU.**

At the same time, the ECBD will be reorganized: the Global Cash Management Dept. of the ECBD will be dissolved, and a **Transaction Business Promotion Dept.** will be newly established within the ECBD.

3. Strengthening consumer banking business in the Consumer Banking Unit ("CSBU")

- (1) SMBC will newly establish a **Marketing Dept.** within the Planning Dept. of the CSBU, in order to better grasp customer needs and strengthen marketing.
- (2) In order to enhancing its private banking business, SMBC will divide the current Private Banking Dept. into two organizations: **Private Banking Dept.**, headquarters responsible for strategic planning and product development, etc.; and **Private Banking Business Office - I, II**, marketing channels in Tokyo and Osaka.
- (3) SMBC will newly establish a **Defined Contribution Dept.** within the Life Planning Service Dept. The new department will be responsible for management of defined contribution

pension plan under the Defined Contribution Pension Plan Act, a new business which SMBC will enter into on April 3, 2006.

4. Enhancing customer satisfaction and strengthening compliance capabilities

- (1) In order to actively reflect customer views into its operation and management, SMBC will newly establish the **Quality Management Dept. (QMD)** to which all customer opinions and requests will be concentrated. Accordingly, the **Customer Relations Dept.**, hitherto responsible for handling customer complaints and requests, will be reorganized as an internal department of the QMD.

The QMD will check products and services from the customer's perspective from the development stage and utilize customer opinions and requests to improve existing products and services, thereby enhancing products, services and customer satisfaction.

- (2) In order to strengthen compliance capabilities, SMBC will position the General Affairs Dept. and the Legal Dept. in a **Compliance Unit** to be newly established.

The General Affairs Dept. will be composed of four internal departments below:

- Operational Risk Management Dept.
: in charge of supervising operational risk management
- Antimonopoly Law Monitoring Dept.:
: in charge of managing compliance issues related to the Antimonopoly Act
- Financial Products Compliance Dept.:
: the former Securities Compliance Dept. will be renamed and given more responsibilities.
- Financial Crime Prevention Dept.
: in charge of matters related to the Depositor Protection Law

- (3) In order to accelerate collaboration among audit departments and to conduct consistent, sophisticated audits, SMBC will newly establish an **Internal Audit Planning Dept.** within the Internal Audit Dept.

New Organization of SMFG
(as of April 3, 2006)

Shareholders'
Meeting

Board of Directors

- Auditing Committee
- Risk Management Committee
- Compensation Committee
- Nominating Committee

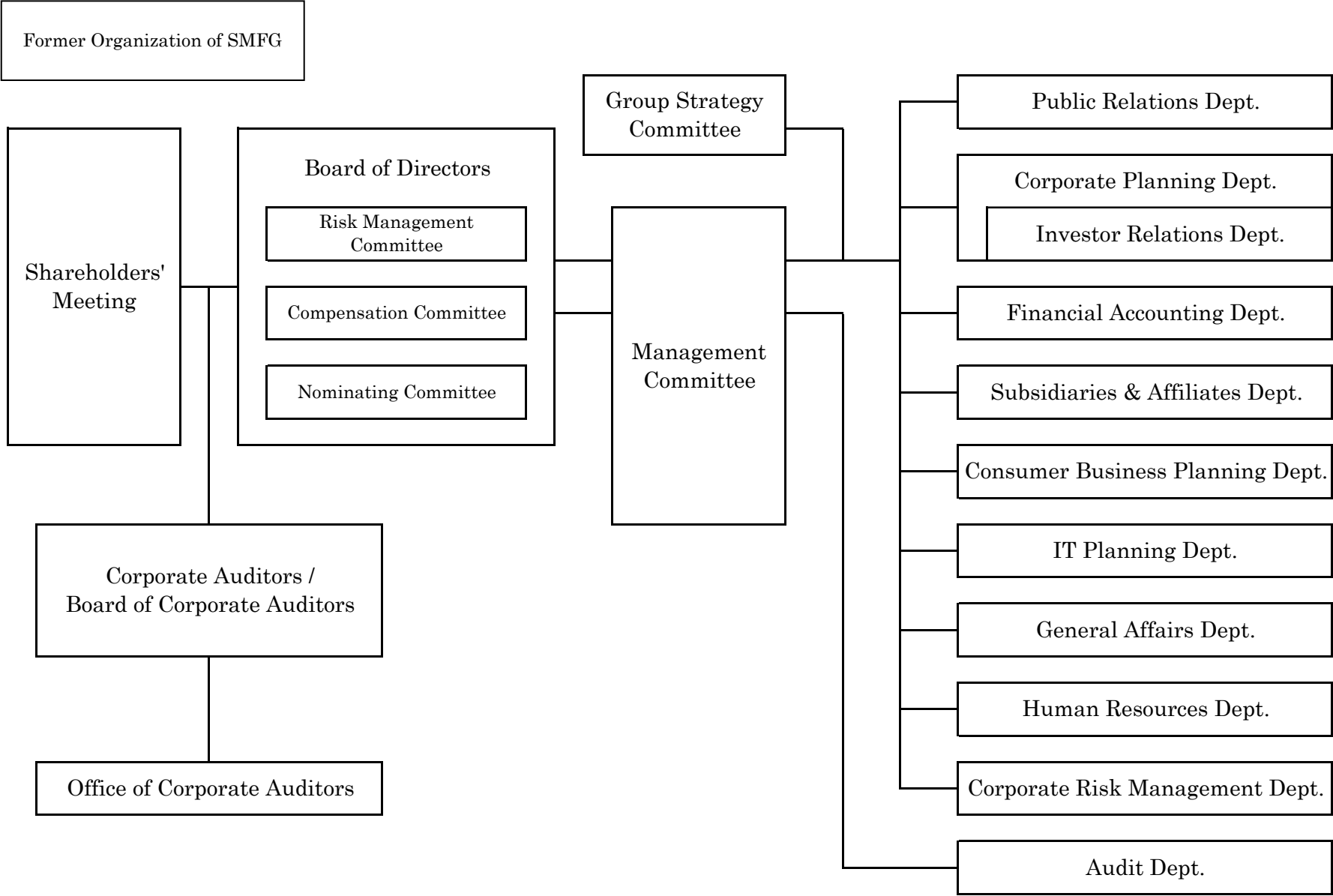
Group Strategy
Committee

Management
Committee

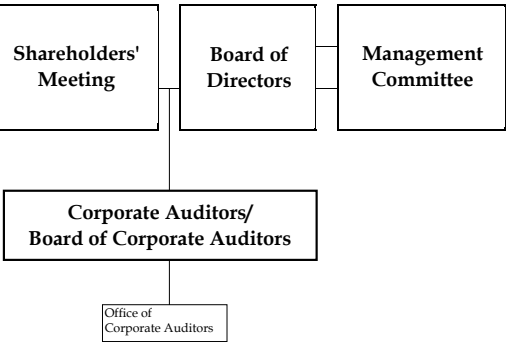
Corporate Auditors /
Board of Corporate Auditors

Office of Corporate Auditors

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



**New Organization of SMBC
(as of April 3, 2006)**



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.

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
*Former Corporate Advisory 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

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
Environment Analysis Dept., International Banking Unit

Asia Pacific Division

The Americas Division
Europe 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

Treasury Unit

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

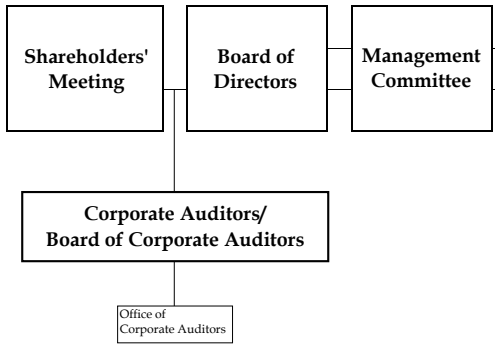
Investment Banking Unit

Planning Dept., Investment Banking Unit
R&D Dept.
Syndication Dept.
Corporate Finance Administration Dept.
Structured Finance Dept.
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.

Former Organization of SMBC



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.	
Antimonopoly Law Monitoring 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	Block Consumer Business Office	Branch
Next W-ing Project Dept.		Consumer Loan Promotion Office
Financial Consulting Dept.		Apartment House Loan Promotion Office
Consumer Loan Dept.		Consumer Loan Servicing Center
Mass Retail Dept.		Private Banking Dept.
Card Loan Dept.		Direct Banking Dept.
Credit Dept., Consumer Banking Unit		Life Planning Service Dept.
		Consumer Finance Promotion Office

Middle Market Banking Unit		
Planning Dept., Middle Market Banking Unit	Middle Market Banking Division	Corporate Business Office
Business Promotion Dept., Middle Market Banking Unit		Business Promotion Office
International Business Promotion Dept., Middle Market Banking Unit		Corporate Advisory Office
China Business Promotion Dept., Middle Market Banking Unit		Public Institutions Business Office
Public Institutions Banking Dept.		Business Support Office
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		

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

International Banking Unit		
Planning Dept., International Banking Unit	Asia Pacific Division The Americas Division Europe Division	Global Institutional Banking Dept.
IT & Business Administration Planning Dept.		Global Investors Services Dept.
Planning Dept., The Americas Division		Global Client Business Dept.
Credit Dept., The Americas Division		Branches/Representative Offices in Asia Pacific Division
Planning Dept., Europe Division		Departments of the Americas Division
Credit Dept., Europe Division		Departments of Europe Division
Credit Dept., International Banking Unit		
Environment Analysis Dept., International Banking Unit		

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 & 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