

Notice regarding Change of Subsidiaries

TOKYO, December 11, 2008 --- Sumitomo Mitsui Financial Group, Inc. (SMFG, President: Teisuke Kitayama) hereby announces that (i) SMFG Preferred Capital JPY 2 Limited, established by SMFG as a special purpose subsidiary for the purpose of the issuance of non-dilutive non-cumulative perpetual preferred securities as announced in the “Notice regarding Establishment of Overseas Special Purpose Subsidiary and Issuance of Non-Dilutive Non-Cumulative Perpetual Preferred Securities” dated November 19, 2008, and (ii) SMBC Preferred Capital JPY 2 Limited, established by Sumitomo Mitsui Banking Corporation (SMBC, President: Masayuki Oku), a consolidated subsidiary of SMFG, as a special purpose subsidiary for the purpose of the issuance of non-dilutive non-cumulative perpetual preferred securities, will increase their stated capital. As a result, each of SMFG Preferred Capital JPY 2 Limited and SMBC Preferred Capital JPY 2 Limited will become a specified subsidiary (*tokutei kogaisha*) of SMFG.

The proportion of voting rights of each special purpose subsidiary held directly or indirectly by SMFG against their respective total number of voting rights will not change because the non-dilutive non-cumulative perpetual preferred securities to be issued by each special purpose subsidiary are non-voting securities.

PARTICULARS

**1. Reason for Change**

SMFG and SMBC each holds all of the ordinary shares of its respective special purpose subsidiary mentioned above. Due to the payment for the non-dilutive non-cumulative perpetual preferred securities, scheduled on December 18, 2008, and the payment for the ordinary shares of SMBC Preferred Capital JPY 2 Limited to be issued to SMBC, scheduled on the same date, the amount of stated capital of each SMFG Preferred Capital JPY 2 Limited and SMBC Preferred Capital JPY 2 Limited will increase and is expected to exceed 10% of the amount of the stated capital of SMFG. Therefore, both of these special purpose subsidiaries will become specified subsidiaries (*tokutei kogaisya*) of SMFG.

**Disclaimer:**

This document is prepared for the purpose of public disclosure about change of subsidiary of SMFG and does not constitute a solicitation of an offer for purchase of any securities in and outside of Japan. This document is not an offer to sell or a solicitation of any offer to buy the Preferred Securities in the United States. The Preferred Securities set forth above have not been and will not be registered under the United States Securities Act of 1933 (the “Act”) and may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements under the Act.

## 2. Profile of Subsidiaries

### (1) Special purpose subsidiary established by SMFG

Name	SMFG Preferred Capital JPY 2 Limited
Location	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
Date of change	December 18, 2008
Details of business	Issuance of non-dilutive non-cumulative perpetual preferred securities, etc.
Closing date of fiscal year	January 24
Number of directors and employees	Seven directors, no employees
Stated capital	JPY 538,200,000,001
Total outstanding ordinary share and preferred securities (Issue price per share / security)	1 ordinary share (JPY 1 per share) 5,382 preferred securities (JPY 100,000,000 per security)
Shareholders	Ordinary share: 100% owned by SMFG Preferred securities: 100% owned by entities other than SMFG

### (2) Special purpose subsidiary established by SMBC

Name	SMBC Preferred Capital JPY 2 Limited
Location	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
Date of change	December 18, 2008
Details of business	Issuance of non-dilutive non-cumulative perpetual preferred securities, etc.
Closing date of fiscal year	January 24
Number of directors and employees	Three directors, no employees
Stated capital	JPY 544,000,000,000
Total outstanding ordinary shares and preferred securities (Issue price per share / security)	5,800,000,000 ordinary shares (JPY 1 per share) 5,382 preferred securities (JPY 100,000,000 per security)
Shareholders	Ordinary shares: 100% owned by SMBC Preferred securities: 100% owned by SMFG Preferred Capital JPY 2 Limited

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