Sumitomo Mitsui Financial Group, Inc.

Revision of Earnings and Dividends Forecasts for the Fiscal Year Ended March 31, 2009

TOKYO, April 9, 2009 --- Sumitomo Mitsui Financial Group, Inc. ("SMFG") announces a revision of forecasts on its earnings and common stock dividends for the fiscal year ended March 31, 2009 (fiscal 2008), which were announced in November 2008.

1. Revision of consolidated earnings forecast

Due to the turmoil in the financial markets, we expect an impairment loss on stocks and an increase in credit cost for fiscal 2008, a sharp decline in stock prices and a slowdown in the global economy since last year. In order to quickly adapt to these changes in our business environment and promote a steady recovery of our earnings from the fiscal year ended March 31, 2010 (fiscal 2009), we have decided to make additional loss provisions for our assets in preparation for further economic deterioration and to calculate deferred tax assets more conservatively. As a result, we have revised our consolidated earnings forecast for fiscal 2008 as follows.

(Billions of yen, except percentages)

		Ordinary income	Ordinary profit	Net income (loss)
Previous forecast (*)	(A)	¥ 3,700	¥ 480	¥ 180
Revised forecast	(B)	3,700	30	(390)
Change	(B – A)	–	(450)	(570)
Percentage change	(%)	–	(93.8)%	–
Results for the fiscal year ended March 31, 2008		4,623.5	831.2	461.5

(*) Announced in November 2008

Forecast on non-consolidated earnings remains unchanged.

2. Revision of dividends forecast (common stock)

As described above, conservative financial measures are being taken for fiscal 2008 aiming for achieving a steady recovery of our earnings from fiscal 2009. We are also giving priority to maintaining sound financial management and enhancing our retained earnings, and have decided regrettably to revise our forecast of fiscal year-end cash dividends on common stock as shown below. The annual dividend on common stock, including the interim dividend of ¥70 per share paid in December 2008, is expected to be ¥90 per share.

(Yen)

		Dividends per share (common stock)		
		Interim-end (*2)	Fiscal year-end	Annual
Previous forecast (*1)	(A)	¥ 70	¥ 50	¥ 120
Revised forecast	**(B)**	**70**	**20**	**90**
Change	(B – A)	–	(30)	(30)
Results for the fiscal year ended March 31, 2008		50	70	120

(Note) 1. SMFG implemented a 100 for 1 stock split of common stock on January 4, 2009. The amounts shown above reflect the stock split, assuming that it had been implemented at the beginning of the previous fiscal year.

2. Dividends forecast on preferred stock (type 4 and type 6) remains unchanged.

(*1) Announced in November 2008

(*2) Paid in December 2008

[Appendix]

1. Revision of SMBC non-consolidated earnings forecast (fiscal year ended March 31, 2009)

(Billions of yen)

	Fiscal year ended March 31, 2008 (Result)	Fiscal year ended March 31, 2009 (Revised forecast) (a)	Fiscal year ended March 31, 2009 (Previous forecast) (b)	Change from the previous forecast (a) – (b)
Banking profit (before provision of allowance for general loan losses)	¥ 819.7	¥ 810	¥ 800	¥ 10
Ordinary profit	510.7	20	320	(300)
Net income (loss)	205.7	(310)	160	(470)
Total credit cost	(147.8)	(550)	(370)	(180)
Gains (losses) on stocks, net	(141.0)	(220)		
[Impairment loss on stocks]	[(165.4)]	[(220)]		

Banking profit (before provision of allowance for general loan losses)

In the current severe business environment, Sumitomo Mitsui Banking Corporation ("SMBC"), a major subsidiary of SMFG, expects to secure banking profit of approximately ¥810 billion, which is higher than the previous forecast. This is due to factors such as (1) an increase in net interest income from an increase in loan balances and an improvement in interest margins by the International Banking Unit and (2) an increase in gains on bond-related transactions amid declining interest rates.

Total credit cost

(1) SMBC expects total credit cost to be approximately ¥550 billion, or ¥180 billion above the previous forecast, due mainly to an increase in credit cost resulting from the rapid global economic downturn and additional provisions made in preparation for the continuation of such economic situation.

(2) For fiscal 2008, SMBC will record provisions conservatively. From fiscal 2009, its headquarters and branches will work as a team to strengthen SMBC's relationships with customers, support its customers' recovery, and prevent the deterioration of its asset quality. SMBC aims to steadily reduce credit cost through these measures.

Impairment loss on stocks

SMBC expects to record impairment loss on stocks of approximately ¥220 billion for fiscal 2008 due mainly to a decline in stock prices.

As a result, the risk of further impairment on stocks in the future is expected to be diminished. For example, should the Nikkei Stock Average decline to around ¥6,500, which is ¥500 below the lowest level it has registered in the past 15 months (¥7,054), an impairment loss on listed stocks would be limited to about ¥35 billion, though it depends on stock price behavior of the specified stocks held by SMBC.

Securitized products

SMBC expects loss on securitized products, excluding bonds issued or guaranteed by Government Sponsored Enterprises, to be approximately ¥9 billion. It expects the balance of securitized products as of March 31, 2009, to be approximately ¥36 billion after write-offs and provisions. As a result, it expects the impact of securitized products on future financial results to be limited.

Deferred tax assets (Deferred income taxes)

(1) SMBC calculates deferred tax assets conservatively by assuming stronger stress on its estimated future earnings, which affects the collectability of its deferred tax assets, for sharp economic downturns in order to further enhance its sound financial base.

(2) As a result, adjustments for income taxes will decrease net income by ¥300 billion, but net deferred tax assets(*) as of March 31, 2009, will decrease ¥300 billion year on year to ¥670 billion. Through such conservative recognition of deferred tax assets, the associated financial risks of deferred tax assets will be lower from fiscal 2009.

(*) Excluding deferred tax liabilities on valuation difference on available-for-sale securities and deferred tax assets on net deferred losses on hedges. Net deferred tax assets were ¥969.5 billion as of March 31, 2008.

Ordinary profit and Net loss

Ordinary profit is expected to be approximately ¥20 billion, or ¥300 billion below the previous forecast. Net loss will be approximately ¥310 billion, or ¥470 billion below the previous forecast.

2. Revision of SMFG consolidated earnings forecast (fiscal year ended March 31, 2009)

(Billions of yen)

	Fiscal year ended March 31, 2008 (Result)	Fiscal year ended March 31, 2009 (Revised forecast) (a)	Fiscal year ended March 31, 2009 (Previous forecast) (b)	Change from the previous forecast (a) – (b)
Ordinary profit	¥ 831.2	¥ 30	¥ 480	¥ (450)
Net income (loss)	461.5	(390)	180	(570)

Other subsidiaries and affiliates

Earnings of certain subsidiaries other than SMBC and of some affiliates worsened. In addition, they have made additional loss provisions for their assets in preparation for the recent economic and business environment, disposed of securities, and recognized deferred tax assets conservatively. As a result, the impact of our subsidiaries other than SMBC and our affiliates on SMFG’s consolidated net income is expected to be minus ¥80 billion, compared with the previous forecast of plus ¥20 billion.

Ordinary profit and Net loss

We expect ordinary profit to be approximately ¥30 billion, a decrease of ¥450 billion from the previous forecast. Net loss is expected to be approximately ¥390 billion, ¥570 billion below the previous forecast.

As described above, for fiscal 2008, we have taken conservative financial measures in response to the difficult economic and business environment and aiming for promoting a steady recovery of our earnings in the following years.

3. Capital ratio (SMFG, Consolidated basis)

	March 31, 2008 (Result)	September 30, 2008 (Result)	March 31, 2009 (Forecast)
Capital ratio	10.56 %	10.25 %	Approximately 11 %
Tier I ratio	6.94 %	7.08 %	Almost 8.0 %

We have established a more sophisticated risk-assets management system. We have been using the Advanced Measurement Approach, which is the most sophisticated measurement technique under the Basel II framework, for the measurement of operational risk weighted assets since March 31, 2008, and have decided to adopt the Advanced Internal Ratings-Based Approach for the measurement of credit risk weighted assets from March 31, 2009.
As a result, SMFG's capital ratio on a consolidated basis, as of March 31, 2009, is expected to rise to approximately 11%, due mainly to a decrease in risk-weighted assets resulting from the adoption of the Advanced Internal Ratings-Based Approach.

4. Forecast on problem assets based on the Financial Reconstruction Law (SMBC, Non-consolidated basis)

(Billions of yen, except percentages)

	March 31, 2008 (Result)	September 30, 2008 (Result)	March 31, 2009 (Forecast)
Problem assets based on the Financial Reconstruction Law	¥ 803.9	¥ 1,076.9	¥ 1,230.0
Problem asset ratio	1.2 %	1.6 %	1.8 %

Problem assets based on the Financial Reconstruction Law as of March 31, 2009 are expected be approximately ¥1,230 billion, an increase of ¥150 billion from September 30, 2008. Problem asset ratio will remain at a low-level of around 1.8%.

5. Forecast on valuation difference on available-for-sale securities (SMBC, Non-consolidated basis)

(Billions of yen)

	March 31, 2008 (Result)	September 30, 2008 (Result)	March 31, 2009 (Forecast)
Valuation difference on available-for-sale securities	¥ 755.7	¥ 629.8	¥ (60.0)
Stocks	936.3	782.5	(16.0)
Bonds	(129.5)	(56.5)	(14.0)
Others	(51.1)	(96.2)	(30.0)

(*) Listed stocks are valuated using the average market value in the final month of the relevant periods.
(Nikkei Stock Average: Monthly average price in March 2009 ¥7,765; Closing price as of March 31, 2009 ¥8,110)