

■ Investment Banking

SMFG consolidates the resources from the Investment Banking Unit of SMBC and SMBC Nikko Securities and other Group companies to assist its clients with their business development and enhancement of their corporate value by providing optimized solutions for the needs of its clients in areas such as fund-raising and asset management, M&A, risk-hedging, and payment and settlement.

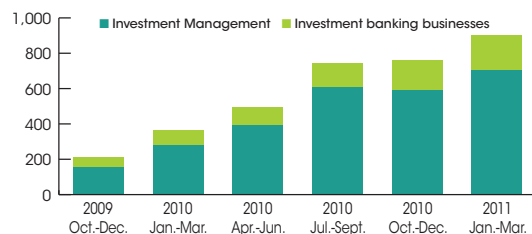
As the businesses of our corporate clients become further globalized and the number of investors increases, SMBC Nikko Securities has begun its operations of M&A advisory services, underwriting bonds and brokerage services (for Japanese stocks) at its overseas offices. We plan to further globalize our operations, and respond appropriately and timely to the sophisticated financial needs of our clients.

Collaboration with SMBC Nikko Securities

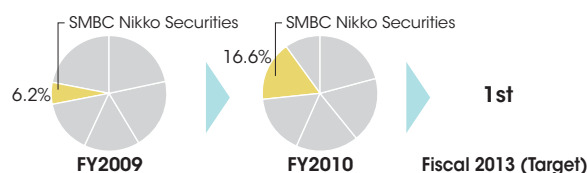
As of April 1, 2011, Nikko Cordial Securities, which became a wholly owned subsidiary of SMBC on October 1, 2009, changed its corporate name to SMBC Nikko Securities Inc. As the core securities firm for the Group, it has expanded its retail and wholesale businesses by closely working with SMBC.

In the league tables published by Thomson Reuters for fiscal 2010, SMFG was ranked fourth in the M&A advisory services category for publicly announced mergers involving Japanese companies with a market share of 19.2%. We placed fifth for underwriting amount for the “Japanese Corporate Bonds” category (market share of 16.6%). We continue to strengthen the cooperation between SMBC Nikko Securities and SMBC and to respond to the diverse needs of our clients for raising capital from the market, cross-border M&A transactions and securitization.

Number of referrals by SMBC to SMBC Nikko Securities



Underwriting amount for “Japanese Corporate Bonds” Market share*



*Source: Thomson Reuters

Underwriting amount for “Japanese Corporate Bonds”

Information contained in this document for the period prior to September 2009 is based on the information provided by the former Nikko Cordial Securities Inc.

Topics

◆Expansion of Securities Businesses in Overseas Markets

The SMBC's subsidiaries, SMBC Nikko Capital Markets Limited (UK) and SMBC Nikko Securities America, Inc. (US), have begun and are expanding their securities business operations in London and New York, respectively. SMBC Nikko Securities' wholly owned subsidiaries in Hong Kong and Shanghai also commenced securities business and M&A advisory service operations in January 2011.



June 30, 2011

◆Environmental Business

SMBC established its Environmental Products Department in October 2007 to promote its environmental businesses. It also developed a cross-organizational “Growing Industrial Cluster^{*1} Project Team” in July 2010 to promote businesses associated with four growing industrial sectors. It cross-organizationally promotes efforts aimed at expanding, identifying and creating mid- to long-term business opportunities for our clients by cooperating with industries, government and universities, and collecting information from the domestic and international networks.

As a result of these measures, a CDM^{*2} project, which we supported in Singapore for the trading of emission credits, became the country's first such large project to be registered by the United Nations, and we provided financing by utilizing the Nippon Export and Investment Insurance (“NEXI”) for Vietnam's first hydroelectric power generation business by the private sector. These initiatives contributed to our nomination for the award of “Sustainable Bank of the Year 2011 (Cross-Regional category),” organized by the Financial Times and the International Finance Corporation.

^{*1} The four growing industrial sectors are: the “Environment,” “New Energy,” “Water” and “Natural Resources.”

^{*2} “Clean Development Mechanism”