

(c) Valuation technique used for valuating fair value of stock options

Stock options granted in the fiscal year ended March 31, 2011 were valued using the Black-Scholes option pricing model and the principal parameters were as follows:

Date of resolution	July 28, 2010
Expected volatility ^{*1}	51.44%
Average expected life ^{*2}	4 years
Expected dividends ^{*3}	¥100 per share
Risk-free interest rate ^{*4}	0.23%

^{*1} Expected volatility is calculated based on the closing price of common shares of SMFG on each trading day in the 4 years between August 14, 2006 and August 13, 2010.

^{*2} The average expected life could not be estimated rationally due to insufficient amount of data.

Therefore, it was estimated based on average assumption periods of directors of SMFG and SMBC.

^{*3} Expected dividends are based on the actual dividends on common stock for the fiscal year ended March 31, 2011.

^{*4} Japanese government bond yield corresponding to the average expected life.

(d) Method of estimating number of stock options vested

Only the actual number of forfeited stock options is reflected because it is difficult to rationally estimate the actual number of stock options that will be forfeited in the future.

(2) Kansai Urban Banking Corporation

(a) Outline of stock options

Date of resolution	June 28, 2001	June 27, 2002	June 27, 2003	June 29, 2004	June 29, 2005	June 29, 2006
Title and number of grantees	Directors and employees 45	Directors and employees 44	Directors and employees 65	Directors and employees 174	Directors and employees 183	Directors 9
Number of stock options	Common shares 238,000	Common shares 234,000	Common shares 306,000	Common shares 399,000	Common shares 464,000	Common shares 162,000
Grant date	July 31, 2001	July 31, 2002	July 31, 2003	July 30, 2004	July 29, 2005	July 31, 2006
Condition for vesting	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Requisite service period	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise period	June 29, 2003 to June 28, 2011	June 28, 2004 to June 27, 2012	June 28, 2005 to June 27, 2013	June 30, 2006 to June 29, 2014	June 30, 2007 to June 29, 2015	June 30, 2008 to June 29, 2016

Date of resolution	June 29, 2006	June 28, 2007	June 28, 2007	June 27, 2008	June 26, 2009
Title and number of grantees	Officers not doubling as directors 14 Employees 46	Directors 10	Officers not doubling as directors 14 Employees 48	Directors 9 Officers not doubling as directors 16 Employees 45	Directors 11 Officers not doubling as directors 14 Employees 57
Number of stock options	Common shares 115,000	Common shares 174,000	Common shares 112,000	Common shares 289,000	Common shares 350,000
Grant date	July 31, 2006	July 31, 2007	July 31, 2007	July 31, 2008	July 31, 2009
Condition for vesting	N.A.	N.A.	N.A.	N.A.	N.A.
Requisite service period	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise period	June 30, 2008 to June 29, 2016	June 29, 2009 to June 28, 2017	June 29, 2009 to June 28, 2017	June 28, 2010 to June 27, 2018	June 27, 2011 to June 26, 2019