

Notice regarding Allocation of First Series Type 6 Preferred Stock

TOKYO, March 25, 2005 --- Sumitomo Mitsui Financial Group, Inc. (“SMFG”, President and CEO: Yoshifumi Nishikawa) hereby announces that it has decided the allocation of shares of the First Series Type 6 Preferred Stock (the “Preferred Stock”) resolved to be issued at the meeting of SMFG’s Board of Directors held on March 10, 2005 and announced on the same day, as follows:

1. Allocation of shares of the Preferred Stock to be issued

To be allocated to:	Number of shares	Amount to be paid
Sumitomo Life Insurance Company	23,334 shares	70,002 millions of yen
Nippon Life Insurance Company	20,000 shares	60,000 millions of yen
Mitsui Life Insurance Company Limited	16,667 shares	50,001 millions of yen
Mitsui Sumitomo Insurance Company, Limited	10,000 shares	30,000 millions of yen
Total	70,001 shares	210,003 millions of yen

This press release is published in order to publicly announce SMFG’s issuance of the Preferred Stock, not to solicit anyone into making any investment. This press release shall not be construed as an offering of securities in or outside of Japan.

2. Outline of the companies to which shares of the Preferred Stock are to be allocated

Company name		Sumitomo Life Insurance Company	
Number of shares to be allocated		23,334 shares	
Amount to be paid		70,002 millions of yen	
Profile of the company to be allocated the shares	Head Office address	4-35, Shiromi 1-Chome, Chuo-ku, Osaka, Japan	
	Name of Representative	Shinichi Yokoyama, President and Chief Executive Officer	
	Amount of Funds (as of September 30, 2004)	279 billions of yen (includes Reserve for redemption of funds)	
	Business description	Life insurance business	
	Principal shareholders (as of September 30, 2004)	Not applicable	
Relationship between the company and SMFG	Capital relationship	Number of the company's shares that SMFG holds	None (as of September 30, 2004)
		Number of SMFG's shares that the company holds	Common Stock: 113,241 shares (as of September 30, 2004)
	Business relationship etc.	Business relationship	Insurance transaction
		Personnel relationship	None
Agreement with respect to the shareholdings of the Preferred Stock		The company shall not transfer shares of the Preferred Stock without prior consent of SMFG, prior to the 8 th anniversary of the payment date (March 29, 2005).	

Company name		Nippon Life Insurance Company	
Number of shares to be allocated		20,000 shares	
Amount to be paid		60,000 millions of yen	
Profile of the company to be allocated the shares	Head Office address	5-12, Imabashi 3-Chome, Chuo-ku, Osaka, Japan	
	Name of Representative	Ikuo Uno, President	
	Amount of Funds (as of September 30, 2004)	750 billions of yen (includes Reserve for redemption of funds)	
	Business description	Life insurance business	
	Principal shareholders (as of September 30, 2004)	Not applicable	
Relationship between the company and SMFG	Capital relationship	Number of the company's shares that SMFG holds	None (as of September 30, 2004)
		Number of SMFG's shares that the company holds	Common Stock: 154,389.62 shares (as of September 30, 2004)
	Business relationship etc.	Business relationship	Insurance transaction
		Personnel relationship	Mr. Josei Itoh, Chairman of the company, concurrently holds the office of Corporate Auditor of SMFG.
Agreement with respect to the shareholdings of the Preferred Stock		The company shall not transfer shares of the Preferred Stock without prior consent of SMFG, prior to the 8 th anniversary of the payment date (March 29, 2005).	

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Company name		Mitsui Life Insurance Company Limited			
Number of shares to be allocated		16,667 shares			
Amount to be paid		50,001 millions of yen			
Profile of the company to be allocated the shares	Head Office address		2-3, Otemachi 1-Chome, Chiyoda-ku, Tokyo, Japan		
	Name of Representative		Hiroshi Nishimura, President		
	Amount of Capital (as of September 30, 2004)		87,280 millions of yen		
	Business description		Life insurance business		
	Principal shareholders (as of September 30, 2004)		< Common stock >		
				Number of shares (thousands)	Percentage of voting rights (%)
			Sumitomo Mitsui Banking Corporation	194	14.33
			The Chuo Mitsui Trust and Banking Company, Limited	160	11.78
			Mitsui Sumitomo Insurance Company, Limited	130	9.57
			Mitsui & Co., Ltd.	100	7.38
Mitsui Fudosan Co., Ltd.			100	7.36	
Nippon Paper Industries Co., Ltd.			50	3.67	
North Pacific Bank, Ltd.			40	2.94	
Toray Industries, Inc.			40	2.94	
Toshiba Corporation	40	2.94			
The Bank of Nagoya, Ltd.	40	2.94			
		(Note) 1. Number of shares is rounded down to the one-thousand. (Note) 2. Percentage of voting rights is rounded down to the hundredth digit.			
		<Type A stock >			
	Number of shares (thousands)	Percentage of voting rights (%)			
Sumitomo Mitsui Banking Corporation	714	-			
The Chuo Mitsui Trust and Banking Company, Limited	335	-			
Mitsui Sumitomo Insurance Company, Limited	15	-			
Mitsui & Co., Ltd.	10	-			
Mitsui Fudosan Co., Ltd.	10	-			
Relationship between the company and SMFG	Capital relationship	Number of the company's shares that SMFG holds	None (as of September 30, 2004)		
		Number of SMFG's shares that the company holds	None (as of September 30, 2004)		
	Business relationship etc.	Business relationship	Insurance transaction		
		Personnel relationship	None		
Agreement with respect to the shareholdings of the Preferred Stock		The company shall not transfer shares of the Preferred Stock without prior consent of SMFG, prior to the 8 th anniversary of the payment date (March 29, 2005).			

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Company name		Mitsui Sumitomo Insurance Company, Limited		
Number of shares to be allocated		10,000 shares		
Amount to be paid		30,000 millions of yen		
Profile of the company to be allocated the shares	Head Office address		27-2, Shinkawa 2-chome, Chuo-ku, Tokyo, Japan	
	Name of Representative		Hiroyuki Uemura, President and Chief Executive Officer	
	Amount of Capital (as of September 30, 2004)		139,595 millions of yen	
	Business description		Non-life insurance business	
	Principal shareholders (as of September 30, 2004)			Percentage of ownership (%)
			The Chase Manhattan Bank N.A. London (Standing agent: Mizuho Corporate Bank, Ltd.'s Kabutocho Custody & Proxy Department within the Settlement & Clearing Services Division)	6.37
			The Master Trust Bank of Japan, Ltd. (Trust account)	4.22
			Japan Trustee Services Bank, Ltd. (Trust account)	4.02
			State Street Bank and Trust Company 505103 (Standing agent: Mizuho Corporate Bank, Ltd.'s Kabutocho Custody & Proxy Department within the Settlement & Clearing Services Division)	3.38
			State Street Bank and Trust Company (Standing agent: Mizuho Corporate Bank, Ltd.'s Kabutocho Custody & Proxy Department within the Settlement & Clearing Services Division)	2.35
			Nippon Life Insurance Company	2.16
			Sumitomo Mitsui Banking Corporation	1.72
The Chase Manhattan Bank N.A. London SL Omnibus Account (Standing agent: Mizuho Corporate Bank, Ltd.'s Kabutocho Custody & Proxy Department within the Settlement & Clearing Services Division)			1.47	
JPMCB USA Residents Pension JASDEQ Lend 385051 (Standing agent: Mizuho Corporate Bank, Ltd.'s Kabutocho Custody & Proxy Department within the Settlement & Clearing Services Division)			1.35	
Sumitomo Life Insurance Company			1.34	
Relationship between the company and SMFG	Capital relationship	Number of the company's shares that SMFG holds	None (as of September 30, 2004)	
		Number of SMFG's shares that the company holds	Common stock: 32,716.86 shares (as of September 30, 2004)	
	Business relationship etc.	Business relationship	Insurance transaction	
		Personnel relationship	None	
Agreement with respect to the shareholdings of the Preferred Stock		The company shall not transfer shares of the Preferred Stock without prior consent of SMFG, prior to the 8 th anniversary of the payment date (March 29, 2005).		

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3. Changes in aggregate number of shares outstanding before and after the issuance:

(1) Aggregate number of shares outstanding before the issuance (as of March 25, 2005):

Type of stock	Number of shares outstanding (shares)
Common Stock	6,273,792.49
Type 1 Preferred Stock	35,000
Type 2 Preferred Stock	100,000
Type 3 Preferred Stock	695,000
Type 4 Preferred Stock	157,187
Total	7,260,979.49

(2) Aggregate number of shares to be increased through the issuance:

Type of stock	Number of shares to be increased (shares)
Type 6 Preferred Stock	70,001

(3) Aggregate number of shares outstanding after the issuance:

Type of stock	Number of shares outstanding (shares)
Common Stock	6,273,792.49
Type 1 Preferred Stock	35,000
Type 2 Preferred Stock	100,000
Type 3 Preferred Stock	695,000
Type 4 Preferred Stock	157,187
Type 6 Preferred Stock	70,001
Total	7,330,980.49

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1. Outline of SMFG's issuance of preferred stock

Name of stock	First Series Type 6 Preferred Stock of SMFG (the "Preferred Stock")																		
Number of shares to be issued	70,001 shares																		
Issue price	3,000,000 yen per share																		
Aggregate amount of issue price	210,003,000,000 yen																		
Portion of issue price which will not be accounted for as stated capital	1,500,000 yen per share																		
Method of issue:	<p>The shares will be allocated to the following qualified institutional investors (as defined in the Securities and Exchange Law of Japan) by means of third party allocation.</p> <table border="1"> <thead> <tr> <th>To be allocated to:</th> <th>Number of shares</th> <th>Amount to be paid (millions of yen)</th> </tr> </thead> <tbody> <tr> <td>Sumitomo Life Insurance Company</td> <td>23,334 shares</td> <td>70,002</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>20,000 shares</td> <td>60,000</td> </tr> <tr> <td>Mitsui Life Insurance Company Limited</td> <td>16,667 shares</td> <td>50,001</td> </tr> <tr> <td>Mitsui Sumitomo Insurance Company Limited</td> <td>10,000 shares</td> <td>30,000</td> </tr> <tr> <td>Total</td> <td>70,001 shares</td> <td>210,003</td> </tr> </tbody> </table>	To be allocated to:	Number of shares	Amount to be paid (millions of yen)	Sumitomo Life Insurance Company	23,334 shares	70,002	Nippon Life Insurance Company	20,000 shares	60,000	Mitsui Life Insurance Company Limited	16,667 shares	50,001	Mitsui Sumitomo Insurance Company Limited	10,000 shares	30,000	Total	70,001 shares	210,003
To be allocated to:	Number of shares	Amount to be paid (millions of yen)																	
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Total	70,001 shares	210,003																	
Application date	March 28, 2005 (Monday)																		
Payment date	March 29, 2005 (Tuesday)																		
Date from which dividends shall be deemed to accrue	March 29, 2005 (Tuesday)																		
Preferred dividends	<p>Preferred dividends shall be paid to the holders of Preferred Stock (the "Preferred Stockholders") or the registered pledgees of Preferred Stock (the "Preferred Registered Pledgees") as follows:</p> <p>(1) Preferred Dividends 88,500 yen per share; provided that the preferred dividends for the period from March 29, 2005 to March 31, 2005 shall be 728 yen per share.</p> <p>(2) Non-accumulation provision If the amount of dividends payable to Preferred Stockholders or Preferred Registered Pledgees is less than the Preferred Dividends in any fiscal year, such deficiency shall not be carried over for accumulation to the subsequent fiscal years.</p> <p>(3) Non-participation provision SMFG shall not pay dividends to Preferred Stockholders or Preferred Registered Pledgees in excess of the amount of the Preferred Dividends.</p>																		
Preferred Interim Dividends	44,250 yen per share																		
Liquidation distribution of residual assets	<p>In the event that SMFG makes a liquidation distribution of its residual assets, SMFG shall make a distribution of 3,000,000 yen per share of Preferred Stock to Preferred Stockholders or Preferred Registered Pledgees in preference to the holders of the shares of SMFG's common stock (the "Common Stock") or the registered pledgees of the Common Stock.</p> <p>No liquidation distribution other than the above-mentioned distribution of 3,000,000 yen per share shall be made to Preferred Stockholders or Preferred Registered Pledgees.</p>																		
Retirement of Preferred Stock	<p>(1) SMFG may at any time purchase the Preferred Stock and retire the same by reducing the profits distributable to shareholders by an amount equal to the relevant purchase price.</p> <p>(2) SMFG may, at any time on and after March 31, 2011, redeem all or part of the Preferred Stock at 3,000,000 yen per share. In case of a partial redemption, it will be effected by way of lot or other method.</p>																		
Voting rights	Preferred Stockholders shall not have any voting rights at a general meeting of shareholders; provided, however, that if an agenda with respect to the receipt of the Preferred Dividends is not presented at an ordinary general meeting of shareholders, Preferred Stockholders shall have voting rights during the period from such general meeting, or if an agenda with respect to the receipt of the Preferred Dividends is																		

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	rejected at an ordinary general meeting, from the closing time of such general meeting, up until a resolution is passed to receive the Preferred Dividends.
Consolidation or split of shares, and rights to subscribe for new shares, etc	Except as otherwise provided for by law or regulation, no consolidation or split of shares of Preferred Stock shall be made. SMFG shall not allocate to Preferred Stockholders rights to subscribe for new shares or rights to subscribe for bonds with the share acquisition rights.
Order of priority	The Preferred Dividends, the Preferred Interim Dividends and liquidation distribution of residual assets in respect of the Preferred Stock will rank <i>pari passu</i> with those of the other preferred stocks issued by SMFG.
Each of the above items shall be applicable on the condition that necessary notification has been made and necessary approvals and authorizations under the various laws and regulations have become effective.	

2. Use of proceeds

The proceeds of the issuance are to be used for the subscription of shares of the First Series Type 6 Preferred Stock to be newly issued by Sumitomo Mitsui Banking Corporation, a SMFG's wholly-owned subsidiary.

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