

**Sumitomo Mitsui Financial Group, through its Wholly-owned Subsidiary
SMFG Card & Credit, to Subscribe New Shares Issued
by Cedyna Financial Corporation by Way of a Third-Party Allotment;
Cedyna Financial Corporation to Become a Consolidated Subsidiary
of Sumitomo Mitsui Financial Group**

TOKYO, January 6, 2010 – Sumitomo Mitsui Financial Group, Inc. (“SMFG”, President: Teisuke Kitayama) and its wholly-owned subsidiary SMFG Card & Credit, Inc. (“FGCC”, President: Kazuya Jono), at their respective board meetings held today, resolved that FGCC will subscribe all the new shares to be issued by way of a third-party allotment by Cedyna Financial Corporation (“Cedyna”, President: Hiromichi Funahashi), an equity-method affiliate of SMFG, and FGCC signed a subscription agreement with Cedyna. Cedyna will become a consolidated subsidiary of SMFG after the completion of the closing. The transaction is subject to the approval of an extraordinary general shareholders meeting of Cedyna, and filings with, and permissions and approvals of, the relevant authorities.

1. Purpose

In recognition of its role as a gateway to diversifying retail financial transactions as well as its developing link to corporate businesses such as contracting business, in addition to the growth potential in the credit card business, the SMFG group has positioned its credit card business as part of the core of its retail operations. Based on the “Credit Card Business Strategy of Sumitomo Mitsui Financial Group” announced on February 29, 2008, the SMFG group has been taking various measures to “establish the number one credit card business entity in Japan”. Specifically, on October 1, 2008, SMFG established FGCC as an intermediate holding company to develop unified SMFG group strategies and policies and to establish an integrated alliance among SMFG group credit card companies. On April 1, 2009, Cedyna was formed through the merger of OMC Card, Inc. (“OMC Card”), Central Finance Co., Ltd. (“Central Finance”) and QUOQ Inc. (“QUOQ”). Through these measures and certain others, the SMFG group has developed a system for the purpose of establishing a two-company system of Sumitomo Mitsui Card Co., Ltd. (“SMCC”) and Cedyna, and has agreed to a policy toward integration of the systems of SMCC and Cedyna with a view to pursuing economies of scale and has taken measures to establish collaborative scheme in business operations with the goal of maximizing top-line synergies.

Based on the foregoing, FGCC agreed with Cedyna that FGCC will subscribe new shares to be issued by way of a third-party allotment by Cedyna and make Cedyna a consolidated subsidiary of SMFG in order to accelerate and ensure Cedyna’s management restructuring including its investments in new businesses and systems developments to increase the corporate value as well as its cost restructuring, to further clarify the positioning of Cedyna as a core business entity, together with SMCC, of SMFG group’s credit card business and further to enhance Cedyna’s capital base. After the transaction, the percentage of Cedyna’s voting shares owned by FGCC will increase to approximately 68%.

By making Cedyna a consolidated subsidiary of SMFG, the SMFG group will further accelerate, and make a stable promotion of, its credit card business strategy. Particularly, with respect to the collaboration between Cedyna and Sumitomo Mitsui Banking Corporation (“SMBC”), SMFG will seek to achieve group synergies mainly in Cedyna’s shopping credit business and solutions business

through enhanced collaboration of on-site business operation bases of Cedyna and SMBC and fortified collaboration in Cedyna's focus areas such as the EC market and the education market, as well as will seek to further enhance its business through strengthening the collaboration in the area such as personnel dispatch and exchange. In addition, Cedyna and SMCC will further fortify collaboration in their credit card businesses by mutually offering referrals to each other's business partners and jointly offering products and services.

Cedyna will use the proceeds for investments in new business developments including overseas financial business expansion, investments in next-generation systems to be developed jointly by Cedyna and SMCC, organizational restructuring such as investments in business integration, investments for group synergies, cost restructuring and investments in new infrastructure for adaptation to revised regulations, and certain others, and will increase its capital and thereby strengthen its financial base. Please refer to the release "Issuance of New Shares by way of a Third-Party Allotment and Change of Parent Company" issued by Cedyna today for more details.

2. Profile of FGCC (as of September 30, 2009)

1. Name:	SMFG Card & Credit, Inc.
2. Head Office:	1-2, Yuraku-cho 1-chome, Chiyoda-ku, Tokyo
3. Representative:	Kazuya Jono, Representative Director and President
4. Business:	Management and administration of subsidiaries and affiliates etc.
5. Capital Amount:	JPY 100million

3. Profile of Cedyna (as of September 30, 2009)

1. Name:	Cedyna Financial Corporation	
2. Head Office:	23-20, Marunouchi 3-chome, Naka-ku, Nagoya-shi, Aichi	
3. Representative:	Hiromichi Funahashi, Representative Director and President	
4. Business:	Credit card business, shopping credit business, solutions business and loan business, and others	
5. Capital Amount:	JPY 57,843million	
6. Date of Incorporation:	September 11, 1950	
7. Major Shareholders and Shareholding Ratio:	SMFG Card & Credit, Inc.	45.84%
	The Daiei, Inc.	9.03%
	Acom Co., Ltd.	6.58%
	Mitsui & Co., Ltd.	2.21%
	Deutsche Securities Inc.	1.90%
	Ginsen Co., Ltd.	1.68%
	Nippon Life Insurance Company	0.86%
	Dai-ichi Mutual Life Insurance Company	0.80%
	Sumitomo Mitsui Card Co., Ltd.	0.79%
	SMBC Guarantee Co., Ltd.	0.72%

8. Relationship with SMFG:	(Capital) ■ FGCC, a wholly-owned subsidiary of SMFG, is the top shareholder of Cedyna with 223,503,400 shares (shareholding ratio: 45.84%). SMFG directly and indirectly owns 233,127,400 shares (shareholding ratio: 47.81%).		
	(Personnel) ■ Two directors of FGCC also serve as directors of Cedyna.		
	(Business) ■ SMBC, a wholly-owned subsidiary of SMFG, provides loans to Cedyna.		
9. Consolidated Financials of Cedyna over the Past 3 Fiscal Years (Japanese Yen):			
	Fiscal Year Ended February 28, 2007	Fiscal year Ended February 29, 2008	Fiscal Year Ended March 31, 2009
Consolidated Net Assets	75,789 million	50,574 million	70,506 million
Consolidated Total Assets	605,118 million	616,844 million	619,652 million
Consolidated Net Assets per Share	357.57	238.07	252.36
Consolidated Operating Revenue	155,383 million	151,602 million	140,254 million
Consolidated Operating Profits	32,740 million	7,835 million	7,448 million
Consolidated Ordinary Profits	33,292 million	7,900 million	7,527 million
Consolidated Net Income	13,944 million	(22,538) million	3,974 million
Consolidated Net Income per Share	65.92	(106.53)	16.56
Dividend per Share	20.00	0.00	0.00

(Note) Cedyna was formed on April 1, 2009 through the merger of OMC Card (surviving entity), Central Finance and QUOQ (absorbed entities), and the consolidated financials above are those of OMC Card before the merger. OMC Card changed its fiscal year end from February to March at the 82nd ordinary general shareholders meeting held on May 23, 2008, such that the fiscal year ended March 31, 2009 was for the 13 months from March 1, 2008 to March 31, 2009.

4. Number of Shares to be Allotted, Issue Price and FGCC Ownership before and after the Transaction

1. Ownership before the Transaction	Common stock: 223,503,400 shares Number of voting rights: 2,235,034 Shareholding Ratio: 45.84%
2. Number of Shares to be Allotted	Common stock: 324,675,300 shares Number of voting rights: 3,246,753 Issue price per share: JPY 154 Total amount: JPY 49,999,996,200
3. Ownership after the Transaction	Common stock: 548,178,700 shares Number of voting rights: 5,481,787 Shareholding Ratio: 67.49%

5. Schedule

January 6, 2010	Resolutions of Board Meetings (SMFG, FGCC and Cedyne)
January 6, 2010	Execution of a Subscription Agreement (FGCC and Cedyne)
March 12, 2010 (planned)	Extraordinary General Shareholders Meeting (Cedyne)
May 31, 2010 (planned)	Closing Date

(Note) The third-party allotment is subject to the approval of an extraordinary general shareholders meeting of Cedyne, and filings with, and permissions and approvals of, the relevant authorities.

6. Future Prospects

There will be no revision to SMFG's earnings forecast for the fiscal year ending March 2010 in connection with the transaction. Cedyne will become a consolidated subsidiary of SMFG after the completion of the closing.

[Reference] Another release issued today in connection with the transaction :

- Cedyne

“Issuance of New Shares by way of a Third-Party Allotment and Change of Parent Company”*

*Only Japanese version available at present. English translation to be published.

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