

Sumitomo Mitsui Financial Group Announces
Revision of Earnings Forecasts of
a Consolidated Subsidiary (Kansai Urban Banking Corporation)

TOKYO, October 29, 2004 --- Sumitomo Mitsui Financial Group, Inc. (SMFG) hereby announces that Kansai Urban Banking Corporation, a consolidated subsidiary of SMFG, has revised its earnings forecast published on May 24, 2004 (see Appendix).

(Appendix)

Kansai Urban Banking Corporation Announces
Revision of Earnings Forecast for the Six Months Ended September 30, 2004

OSAKA, Japan, October 29, 2004--- Kansai Urban Banking Corporation (KUBC) announced today the revision of its previous earnings forecast for the six months ended September 30, 2004, which was published on May 24, 2004 .

1. Revision of Earnings Forecast for the Six Months ended September 30, 2004

(Consolidated)	(Millions of Yen)		
	Total Income	Ordinary Profit	Net Income
Previous Forecast (A)	34,100	3,500	2,000
Revised Forecast (B)	34,600	7,300	4,900
Difference (B) - (A)	500	3,800	2,900
Percentage Change	1.4%	108.5%	145.0%
(Ref.) Previous 1st Half	24,314	2,575	1,398

*Previous 1st Half: Consolidated results of the former Bank of Kansai, Ltd.

(Non-consolidated)	(Millions of Yen)		
	Total Income	Ordinary Profit	Net Income
Previous Forecast (A)	28,500	3,200	1,800
Revised Forecast (B)	29,000	7,100	4,800
Difference (B) - (A)	500	3,900	3,000
Percentage Change	1.7%	121.8%	166.6
(Ref.) Previous 1st Half	18,932	2,479	1,595

*Previous 1st Half: Non-consolidated results of the former Bank of Kansai, Ltd.

2. Factors behind the revision

(1) Non-consolidated earnings

Loans and bills discounted are expected to increase 90.5 billion yen (5.4%) from March-end 2004 and 137.4 billion yen (8.4%) from September-end 2003 mainly due to increase in loans to small and medium-sized enterprises and individuals. As a result, core banking profit is expected to have amounted to 9.6 billion yen, greatly exceeding the previous forecast of 8.0 billion yen.

In addition, due to lower-than-expected credit cost from fewer occurrences of problem loans, ordinary profit and net income are expected to be higher than previously forecast.

Thanks to the above and the merger effect, core banking profit, ordinary profit and net income are expected to increase to record-high levels.

(2) Consolidated earnings

The revision of consolidated earnings forecast is mainly due to the revision of non-consolidated earnings.

KUBC will publish the earnings forecast for fiscal 2004 ending March 31, 2005 on the announcement day of financial results for the first half of fiscal 2004 scheduled in November.

(References)

1. Major Indicators (Non-consolidated)

(Billions of Yen)

	2003/9 Actual	2004/3 Actual	2004/9 Estimate	Change	
				From 2003/9	From 2004/3
Core Banking Profit	6.1	12.8	9.6	3.5	-
Ordinary Profit (loss)	2.4	6.8	7.1	4.7	-
Net Income (loss)	1.5	19.3	4.8	3.3	-
Capital ratio	8.33%	8.65%	8.60%	0.27%	(0.05%)
Deferred tax assets / Tier1	48.1%	27.2%	22.4%	(25.7%)	(4.8%)
NPL ratio	8.5%	5.7%	4.7%	(3.8%)	(1.0%)
Core ROA	0.92%	0.76%	0.89%	(0.03%)	0.14%
Core ROE	27.8%	23.6%	28.5%	0.7%	4.9%
Core OHR	57.6%	60.1%	60.0%	2.4%	(0.1%)

* 2003/9 Actual: Non-consolidated results of the former Bank of Kansai, Ltd.

2. Deposits and Loans

(Billions of Yen)

	2003/9 Actual	2004/3 Actual	2004/9 Estimate	Change		
				From 2003/9	Percentage change	From 2004/3
Deposits	1,939.3	1,900.2	1,947.6	8.3	0.4%	47.4
Individuals' deposits	1,362.4	1,435.7	1,423.0	60.6	4.4%	(12.7)
Loans	1,625.0	1,671.9	1,762.4	137.4	8.4%	90.5
Housing loans	556.7	592.8	609.6	52.9	9.5%	16.8

* 2003/9 Actual: Sum of non-consolidated figures of the former Bank of Kansai, Ltd. and Kansai Sawayaka Bank