

(Reference 2) Financial Statements of SMBC**1. Highlights of SMBC's Financial Results for the six months ended
September 30, 2005****<SMBC Non-consolidated>**

Ordinary income	1,091,687 million yen
Ordinary profit	359,778 million yen
Net income	298,766 million yen
Total assets	93,293,761 million yen
Stockholders' equity	3,171,235 million yen
Stockholders' equity to Total assets	3.39 %
Capital ratio (BIS Guidelines) [preliminary]	12.00 %
Number of shares outstanding as of term-end	56,112,948 shares
Common stock	55,212,947 shares
Type 1 Preferred stock	35,000 shares
Type 2 Preferred stock	100,000 shares
Type 3 Preferred stock	695,000 shares
First Series Type 6 Preferred stock	70,001 shares
Number of treasury stock as of term-end	- shares
Average number of shares outstanding during the term	56,112,948 shares
Common stock	55,212,947 shares
Type 1 Preferred stock	35,000 shares
Type 2 Preferred stock	100,000 shares
Type 3 Preferred stock	695,000 shares
First Series Type 6 Preferred stock	70,001 shares
Net income per share	5,411.16 yen
Net income per share (diluted)	5,267.66 yen
Stockholders' equity per share	33,710.06 yen
Interim dividends (maximum payable amounts scheduled (Note 1))	34.4 billion yen
Common stock	280 yen per share
Type 1 Preferred stock	10,500 yen per share
Type 2 Preferred stock	28,500 yen per share
Type 3 Preferred stock	13,700 yen per share
First Series Type 6 Preferred stock	88,500 yen per share
Increase of net assets by recognizing at fair value (Note 2)	652,063 million yen

(Notes) 1. The interim dividends (Record date: December 31) will be paid to SMFG (parent company).

The payment will be resolved at the Board of Directors' meeting to be held after January 2006.

2. In case Article 124-3 of the Ordinance of the Commercial Code of Japan is applied.

<SMBC Consolidated>

Capital ratio (BIS Guidelines) [preliminary]	11.19 %
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2. Balance Sheet (Condensed) <SMBC Non-consolidated>

(Millions of yen)

	September 30, 2005 (A)	September 30, 2004 (B)	Change (A-B)	March 31, 2005 (C)	Change (A-C)
Assets					
Cash and due from banks & Deposits with banks	4,661,738	5,280,483	(618,745)	4,524,830	136,908
Call loans	607,319	296,119	311,200	373,397	233,922
Receivables under resale agreements	80,057	106,419	(26,362)	88,021	(7,964)
Receivables under securities borrowing transactions	2,165,749	1,621,384	544,365	568,340	1,597,409
Bills bought	100,000	-	100,000	573,000	(473,000)
Commercial paper and other debt purchased	138,907	120,322	18,585	126,682	12,225
Trading assets	3,368,665	2,986,863	381,802	3,363,376	5,289
Money held in trust	811	3,783	(2,972)	3,832	(3,021)
Securities	23,039,486	23,524,899	(485,413)	23,676,696	(637,210)
Loans and bills discounted	50,949,158	50,723,607	225,551	50,067,586	881,572
Foreign exchanges	823,751	910,803	(87,052)	840,923	(17,172)
Other assets	1,647,867	1,365,753	282,114	1,446,439	201,428
Premises and equipment	640,700	671,495	(30,795)	660,469	(19,769)
Deferred tax assets	1,328,517	1,631,561	(303,044)	1,502,153	(173,636)
Customers' liabilities for acceptances and guarantees	4,513,173	4,462,028	51,145	4,303,148	210,025
Reserve for possible loan losses	(772,141)	(962,583)	190,442	(989,121)	216,980
Total assets	93,293,761	92,742,940	550,821	91,129,776	2,163,985
Liabilities					
Deposits	63,380,886	62,011,605	1,369,281	62,788,328	592,558
Negotiable certificates of deposit	2,602,639	3,239,176	(636,537)	2,803,299	(200,660)
Call money	2,172,456	3,043,178	(870,722)	2,232,507	(60,051)
Payables under repurchase agreements	469,130	704,384	(235,254)	365,127	104,003
Payables under securities lending transactions	3,612,024	4,571,110	(959,086)	3,838,031	(226,007)
Bills sold	3,795,800	1,588,400	2,207,400	2,578,700	1,217,100
Trading liabilities	1,533,711	1,505,855	27,856	1,711,030	(177,319)
Borrowed money	2,067,062	2,441,850	(374,788)	2,267,602	(200,540)
Foreign exchanges	431,622	534,408	(102,786)	477,845	(46,223)
Bonds	3,872,570	3,699,055	173,515	3,718,372	154,198
Due to trust account	42,260	42,202	58	50,457	(8,197)
Other liabilities	1,571,010	2,076,868	(505,858)	1,143,206	427,804
Reserve for employee bonuses	8,239	8,598	(359)	9,092	(853)
Reserve for expenses related to EXPO 2005 Japan	284	172	112	231	53
Other reserves	18	18	-	18	-
Deferred tax liabilities for land revaluation	49,637	57,250	(7,613)	90,043	(40,406)
Acceptances and guarantees	4,513,173	4,462,028	51,145	4,303,148	210,025
Total liabilities	90,122,526	89,986,163	136,363	88,377,041	1,745,485
Stockholders' equity					
Capital stock	664,986	559,985	105,001	664,986	-
Capital surplus	1,367,548	1,262,546	105,002	1,367,548	-
Capital reserve	665,033	904,932	(239,899)	1,009,933	(344,900)
Other capital surplus	702,514	357,614	344,900	357,614	344,900
Retained earnings	607,900	592,112	15,788	291,311	316,589
Voluntary reserves	221,502	221,532	(30)	221,532	(30)
Unappropriated retained earnings at end of term (year)	386,398	370,579	15,819	69,779	316,619
Land revaluation excess	24,488	83,656	(59,168)	42,345	(17,857)
Net unrealized gains on other securities	506,310	258,476	247,834	386,543	119,767
Total stockholders' equity	3,171,235	2,756,776	414,459	2,752,735	418,500
Total liabilities and stockholders' equity	93,293,761	92,742,940	550,821	91,129,776	2,163,985

(Note) Amounts less than JPY 1 million are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

3. Income Statement (Condensed) <SMBC Non-consolidated>

(Millions of yen)

	Six months ended Sep. 30, 2005 (A)	Six months ended Sep. 30, 2004 (B)	Change (A-B)	FY2004
Ordinary income	1,091,687	1,140,066	(48,379)	2,289,372
Interest income	663,008	646,974	16,034	1,318,698
<i>Interest on loans and discounts</i>	482,842	464,162	18,680	934,892
<i>Interest and dividends on securities</i>	120,742	119,916	826	262,640
Trust fees	4,284	729	3,555	2,609
Fees and commissions	220,503	181,243	39,260	399,434
Trading profits	5,055	21,755	(16,700)	131,779
Other operating income	158,767	150,886	7,881	228,005
Other income	40,067	138,476	(98,409)	208,845
Ordinary expenses	731,908	1,014,868	(282,960)	2,361,053
Interest expenses	208,658	156,108	52,550	346,195
<i>Interest on deposits</i>	96,313	42,412	53,901	107,718
Fees and commissions	57,070	54,221	2,849	101,358
Trading losses	1,485	605	880	199
Other operating expenses	17,757	27,939	(10,182)	109,916
General and administrative expenses	301,739	300,276	1,463	603,477
Other expenses	145,197	475,717	(330,520)	1,199,906
Ordinary profit (loss)	359,778	125,198	234,580	(71,680)
Extraordinary gains	2,459	678	1,781	1,562
Extraordinary losses	7,122	12,806	(5,684)	29,961
Income (loss) before income taxes	355,115	113,070	242,045	(100,079)
Income taxes, current	5,081	1,645	3,436	6,379
Income taxes, refund	-	7,405	(7,405)	8,184
Income taxes, deferred	51,267	276	50,991	38,579
Net income (loss)	298,766	118,554	180,212	(136,854)
Unappropriated retained earnings carried forward	69,774	254,523	(184,749)	254,523
Transfer from land revaluation excess	17,856	(2,497)	20,353	2,559
Interim dividends	-	-	-	50,449
Unappropriated retained earnings at end of term	386,398	370,579	15,819	69,779

(Note) Amounts less than JPY 1 million are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

4. Market Value Information on Securities <SMBC Non-consolidated>

[1] Securities

In addition to "Securities" stated in the non-consolidated balance sheet, negotiable certificates of deposit bought classified as "Cash and due from banks" is included in the amount below.

(1) Bonds classified as held-to-maturity with market value

(Millions of yen)

	September 30, 2005				
	Balance sheet amount	Market value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese Government bonds	659,635	653,770	(5,864)	948	6,813
Japanese Local Government bonds	58,545	57,397	(1,148)	-	1,148
Japanese corporate bonds	69,747	68,907	(840)	-	840
Other	9,485	9,904	419	419	-
Total	797,413	789,979	(7,434)	1,367	8,801

(2) Investments in subsidiaries or affiliates with market value

(Millions of yen)

	September 30, 2005		
	Balance sheet amount	Market value	Net unrealized gains (losses)
Stocks of subsidiaries	84,400	168,115	83,714
Stocks of affiliates	177,883	211,068	33,185
Total	262,284	379,184	116,899

(3) Other securities with market value

(Millions of yen)

	September 30, 2005				
	Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Stocks	1,837,822	2,783,210	945,387	980,079	34,692
Bonds	11,459,843	11,379,590	(80,253)	2,917	83,171
Japanese Government bonds	10,136,504	10,066,181	(70,322)	136	70,459
Japanese Local Government bonds	457,006	451,521	(5,485)	853	6,338
Japanese corporate bonds	866,332	861,887	(4,445)	1,927	6,372
Other	3,629,035	3,615,472	(13,562)	30,888	44,450
Change of purpose of holding	-	-	66	66	-
Total	16,926,702	17,778,273	851,637	1,013,952	162,314

(Notes)

1. Unrealized gains (losses) for other securities include losses of JPY 557 million that were recognized in income statement by applying fair value hedge accounting and valuation losses of JPY 400 million on embedded financial instruments in their entirety that were recorded in income statement because their embedded derivatives are not measured separately.

As a result, the amount subject to inclusion in the stockholders' equity is 852,595 million yen and the actual amount included in the stockholder's equity under "Net unrealized gains on other securities" is 506,186 million yen (calculated by deducting deferred tax liabilities of 346,409 million yen).

2. Other securities with market value are considered impaired if the market value declines materially below the acquisition cost, and such decline is not considered recoverable. The market value is recognized as the balance sheet amount and the amount of write-down is accounted for as valuation loss (impaired) for this term. The rule for determining "material decline" is as follows and is based on the classification of issuers under the rules of self-assessment of assets.

Bankrupt/ Effectively bankrupt/ Potentially bankrupt issuers	Market value is lower than acquisition cost.
Issuers requiring caution	Market value is 30% or more lower than acquisition cost.
Normal issuers	Market value is 50% or more lower than acquisition cost.

Bankrupt issuers: Issuers that are legally bankrupt or formally declared bankrupt

Effectively bankrupt issuers: Issuers that are not legally bankrupt but regarded as substantially bankrupt

Potentially bankrupt issuers: Issuers that are not currently bankrupt but perceived to have a high risk of falling into bankruptcy

Issuers requiring caution: Issuers that are identified for close monitoring

Normal issuers: Issuers other than the above four categories of issuers

(4) Securities with no available market value

(Millions of yen)

	September 30, 2005
Investments in subsidiaries and affiliates	
Stocks of subsidiaries	1,145,831
Stocks of affiliates	34,043
Other	34,902
Other securities	
Unlisted stocks (excluding OTC stocks)	381,951
Unlisted bonds	2,244,748
Unlisted foreign securities	235,717
Other	247,502

(5) Redemption schedule of other securities with maturities and bonds classified as held-to-maturity

(Millions of yen)

	September 30, 2005			
	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years
Bonds	2,182,596	6,969,777	2,427,934	2,831,959
Japanese Government bonds	1,895,970	4,613,181	1,450,069	2,766,595
Japanese Local Government bonds	9,889	217,942	281,759	475
Japanese corporate bonds	276,736	2,138,653	696,105	64,888
Other	347,444	1,961,790	530,657	626,189
Total	2,530,040	8,931,568	2,958,592	3,458,148

[2] Money Held in Trust

Other money held in trust (Other than classified as trading or held-to-maturity purpose)

(Millions of yen)

	September 30, 2005				
	Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Other money held in trust	602	811	209	209	-

(Note) Net unrealized gains of 124 million yen (after deducting 85 million yen in deferred tax liabilities from 209 million yen in net unrealized gains) are included in 'Net unrealized gains on other securities.'

5. Statements of Trust Assets and Liabilities <SMBC Non-consolidated>

(Millions of yen)

	September 30, 2005 (A)	September 30, 2004 (B)	Change (A-B)	March 31, 2005 (C)	Change (A-C)
Loans and bills discounted	9,880	5,490	4,390	9,780	100
Securities	150,999	27,788	123,211	81,840	69,159
Securities held in custody accounts	33,880	3,000	30,880	34,166	(286)
Monetary claims	642,431	481,436	160,995	600,618	41,813
Other claims	1,133	171	962	315	818
Due from banking account	42,260	42,202	58	50,457	(8,197)
Total assets	880,586	560,087	320,499	777,177	103,409
Monetary trusts	167,354	35,478	131,876	101,323	66,031
Securities trusts	33,880	3,000	30,880	34,166	(286)
Monetary claims trusts	529,859	478,590	51,269	480,147	49,712
Composite trusts	149,491	43,019	106,472	161,539	(12,048)
Total liabilities	880,586	560,087	320,499	777,177	103,409

(Notes) 1. Amounts less than JPY 1 million are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

2. SMBC has no co-operative trusts under other trust bank's administration.

3. SMBC does not handle any trusts with principal indemnification.