

5. Unrealized Gains (Losses) on Securities

(1) Evaluation method of securities

Trading purpose		Fair value method (net valuation gains (losses) are recognized in income statement)
Held-to-maturity purpose		Amortized cost method
Other securities	With market value	Fair value method (net valuation gains (losses)* are directly included in Stockholders' equity)
	Without market value	Cost method or amortized cost method
Investments in subsidiaries and affiliates		Cost method

*The amount recognized in income statement by application of fair value hedge accounting is excluded from the amount directly included in Stockholders' equity.

(Reference) Securities in money held in trust

Investment purpose		Fair value method (net valuation gains (losses) are recognized in income statement)
Other money held in trust	With market value	Fair value method (net valuation gains (losses) are directly included in Stockholders' equity)
	Without market value	Cost method or amortized cost method

(2) Unrealized gains (losses)

<SMBC Non-consolidated>

(Millions of yen)

		Mar. 31, 2006				Mar. 31, 2005		
		Net unrealized gains (losses)				Net unrealized gains (losses)		
		(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose		(30,782)	(28,938)	577	(31,359)	(1,844)	2,089	(3,933)
Stocks of subsidiaries and affiliates		267,575	207,232	270,285	(2,710)	60,343	60,690	(347)
Other securities		1,316,206	664,821	1,695,589	(379,383)	651,385	750,143	(98,757)
Stocks		1,632,404	965,078	1,649,881	(17,476)	667,326	708,643	(41,317)
Bonds		(282,254)	(289,954)	727	(282,981)	7,700	27,343	(19,642)
Others		(33,943)	(10,302)	44,980	(78,924)	(23,641)	14,155	(37,797)
Other money held in trust		209	5	209	-	204	300	(95)
Total		1,553,208	843,120	1,966,661	(413,453)	710,088	813,222	(103,133)
Stocks		1,899,979	1,172,310	1,920,166	(20,186)	727,669	769,333	(41,664)
Bonds		(313,307)	(318,667)	1,033	(314,341)	5,360	28,925	(23,565)
Others		(33,463)	(10,522)	45,460	(78,924)	(22,941)	14,963	(37,904)

- (Notes) 1. The figures above include unrealized gains (losses) on negotiable certificates of deposit in 'Cash and due from banks & Deposits with banks' and on beneficiary claims on commodity investment trusts in 'Commercial paper and other debt purchased'.
2. Unrealized gains (losses) of stocks (excluding stocks of subsidiaries and affiliates) are calculated with the average market price during the final month of the fiscal year. Rest of the securities are valued at market prices as of the balance sheet date.
3. Other securities and Other money held in trust are valued and recorded on the balance sheet at market prices. The figures in the table above indicate the difference between the acquisition costs (or amortized costs) and the balance sheet amounts.
- Net unrealized gains on other securities as of Mar. 31, 2006 include losses of JPY 3,193 million that were recognized in income statement by applying fair value hedge accounting, which are included in the amount to be directly included in Stockholders' equity.
- Unrealized gains on other securities for Mar. 31, 2005 include gains of JPY 469 million recognized in income statement by applying fair value hedge accounting and valuation gains of JPY 82 million on embedded financial instruments in their entirety that were recorded in income statement because their embedded derivatives are not measured separately. Therefore, JPY 551 million is excluded from the amount to be directly included in stockholders' equity.

<Consolidated>

(Millions of yen)

		Mar. 31, 2006				Mar. 31, 2005		
		Net unrealized gains (losses)				Net unrealized gains (losses)		
		(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose		(30,781)	(28,963)	580	(31,361)	(1,818)	2,114	(3,933)
Other securities		1,373,337	676,998	1,771,170	(397,833)	696,339	801,356	(105,017)
Stocks		1,702,690	997,637	1,722,129	(19,438)	705,053	750,480	(45,426)
Bonds		(297,233)	(312,194)	988	(298,222)	14,961	34,971	(20,010)
Others		(32,120)	(8,445)	48,052	(80,172)	(23,675)	15,903	(39,579)
Other money held in trust		209	5	209	-	204	300	(95)
Total		1,342,765	648,041	1,771,960	(429,195)	694,724	803,771	(109,046)
Stocks		1,702,690	997,637	1,722,129	(19,438)	705,053	750,480	(45,426)
Bonds		(328,288)	(340,909)	1,294	(329,583)	12,621	36,554	(23,932)
Others		(31,636)	(8,686)	48,535	(80,172)	(22,950)	16,735	(39,686)

- (Notes) 1. The figures above include unrealized gains (losses) on negotiable certificates of deposit in 'Cash and due from banks & Deposits with banks' and on beneficiary claims on commodity investment trusts in 'Commercial paper and other debt purchased'.
2. Unrealized gains (losses) of stocks are mainly calculated with the average market price during the final month of the fiscal year. Rest of the securities are valued at market prices as of the balance sheet date.
3. Other securities and Other money held in trust are valued and recorded on the balance sheet at market prices. The figures in the table above indicate the difference between the acquisition costs (or amortized costs) and the balance sheet amounts.
- Net unrealized gains on other securities as of Mar. 31, 2006 include losses of JPY 3,193 million that were recognized in income statement by applying fair value hedge accounting, which are included in the amount to be directly included in Stockholders' equity.
- Unrealized gains on other securities for Mar. 31, 2005 include gains of JPY 469 million recognized in income statement by applying fair value hedge accounting and valuation gains of JPY 82 million on embedded financial instruments in their entirety that were recorded in income statement because their embedded derivatives are not measured separately. Therefore, JPY 551 million is excluded from the amount to be directly included in stockholders' equity.