

(Reference 3) Financial Statements of SMBC

1. Balance Sheet (Condensed) <SMBC Non-consolidated>

(Millions of yen)

	September 30, 2007 (A)	September 30, 2006 (B)	Change (A-B)	March 31, 2007 (C)	Change (A-C)
Assets					
Cash and due from banks and Deposits with banks	5,689,816	3,844,197	1,845,619	3,999,561	1,690,255
Call loans	943,504	1,275,484	(331,980)	1,003,796	(60,292)
Receivables under resale agreements	340,745	81,686	259,059	39,725	301,020
Receivables under securities borrowing transactions	1,014,715	1,067,359	(52,644)	2,213,314	(1,198,599)
Bills bought	309,253	1,761	307,492	2,861	306,392
Commercial paper and other debt purchased	468,404	360,065	108,339	333,524	134,880
Trading assets	2,957,227	3,085,593	(128,366)	2,914,023	43,204
Money held in trust	2,627	2,820	(193)	2,924	(297)
Securities	19,860,123	22,047,445	(2,187,322)	20,060,873	(200,750)
Loans and bills discounted	55,025,706	53,902,477	1,123,229	53,756,440	1,269,266
Foreign exchanges	876,042	868,028	8,014	835,617	40,425
Other assets	1,496,635	1,432,776	63,859	1,442,066	54,569
Tangible fixed assets	671,833	553,697	118,136	678,581	(6,748)
Intangible fixed assets	92,013	73,251	18,762	87,615	4,398
Deferred tax assets	775,698	889,187	(113,489)	743,605	32,093
Customers' liabilities for acceptances and guarantees	4,470,981	4,435,152	35,829	4,177,816	293,165
Reserve for possible loan losses	(688,148)	(771,822)	83,674	(677,573)	(10,575)
Reserve for possible losses on investments	-	-	-	(77,547)	77,547
Total assets	94,307,182	93,149,162	1,158,020	91,537,228	2,769,954
Liabilities					
Deposits	66,379,291	66,147,242	232,049	66,235,002	144,289
Negotiable certificates of deposit	2,462,170	2,393,807	68,363	2,574,335	(112,165)
Call money	2,210,169	2,547,399	(337,230)	2,291,128	(80,959)
Payables under repurchase agreements	121,012	790,836	(669,824)	104,640	16,372
Payables under securities lending transactions	2,727,484	3,141,635	(414,151)	1,516,342	1,211,142
Trading liabilities	1,683,577	1,635,612	47,965	1,578,730	104,847
Borrowed money	4,222,916	2,909,422	1,313,494	3,371,846	851,070
Foreign exchanges	339,119	333,041	6,078	329,695	9,424
Bonds	3,591,901	3,710,437	(118,536)	3,647,483	(55,582)
Due to trust account	45,893	50,733	(4,840)	65,062	(19,169)
Other liabilities	2,121,978	1,503,085	618,893	1,588,683	533,295
Reserve for employee bonuses	8,654	8,277	377	8,892	(238)
Reserve for executive retirement benefits	4,527	-	4,527	4,757	(230)
Reserve for point service program	1,615	792	823	990	625
Reserve for reimbursement of deposits	10,839	-	10,839	-	10,839
Reserve under special law	18	18	-	18	-
Deferred tax liabilities for land revaluation	48,728	49,276	(548)	48,917	(189)
Acceptances and guarantees	4,470,981	4,435,152	35,829	4,177,816	293,165
Total liabilities	90,450,881	89,656,772	794,109	87,544,344	2,906,537
Net assets					
Capital stock	664,986	664,986	-	664,986	-
Capital surplus	1,367,548	1,367,548	-	1,367,548	-
Capital reserve	665,033	665,033	-	665,033	-
Other capital surplus	702,514	702,514	-	702,514	-
Retained earnings	825,090	677,810	147,280	761,028	64,062
Other retained earnings	825,090	677,810	147,280	761,028	64,062
Reserve for losses on overseas investments	0	0	(0)	0	-
Voluntary reserve for retirement allowances	1,656	1,656	-	1,656	-
Voluntary reserve	219,845	219,845	-	219,845	-
Retained earnings brought forward	603,589	456,308	147,281	539,526	64,063
Total stockholders' equity	2,857,625	2,710,345	147,280	2,793,563	64,062
Net unrealized gains on other securities	1,057,093	841,657	215,436	1,259,814	(202,721)
Net deferred losses on hedges	(82,394)	(84,171)	1,777	(84,733)	2,339
Land revaluation excess	23,976	24,558	(582)	24,240	(264)
Total valuation and translation adjustments	998,675	782,045	216,630	1,199,320	(200,645)
Total net assets	3,856,300	3,492,390	363,910	3,992,884	(136,584)
Total liabilities and net assets	94,307,182	93,149,162	1,158,020	91,537,228	2,769,954

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

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

(Millions of yen)

	Six months ended Sep. 30, 2007 (A)	Six months ended Sep. 30, 2006 (B)	Change (A-B)	FY2006
Ordinary income	1,307,652	1,115,678	191,974	2,451,351
Interest income	940,051	777,964	162,087	1,706,170
<i>Interest on loans and discounts</i>	651,660	536,196	115,464	1,143,361
<i>Interest and dividends on securities</i>	164,013	155,120	8,893	369,039
Trust fees	2,239	1,407	832	3,482
Fees and commissions	221,285	219,239	2,046	465,171
Trading profits	103,277	43,432	59,845	103,719
Other operating income	28,602	55,870	(27,268)	106,725
Other income	12,196	17,763	(5,567)	66,082
Ordinary expenses	1,149,803	846,600	303,203	1,878,037
Interest expenses	462,514	334,155	128,359	768,722
<i>Interest on deposits</i>	238,995	172,533	66,462	396,300
Fees and commissions	64,128	59,752	4,376	111,754
Trading losses	-	3,307	(3,307)	2,098
Other operating expenses	50,325	91,580	(41,255)	158,207
General and administrative expenses	325,372	294,617	30,755	609,816
Other expenses	247,462	63,187	184,275	227,438
Ordinary profit	157,849	269,078	(111,229)	573,313
Extraordinary gains	935	50,368	(49,433)	41,226
Extraordinary losses	3,574	21,095	(17,521)	27,610
Income before income taxes	155,209	298,351	(143,142)	586,928
Income taxes, current	7,210	7,753	(543)	16,507
Income taxes, deferred	84,200	106,951	(22,751)	254,680
Net income	63,798	183,646	(119,848)	315,740

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

3. Statement of Changes in Net Assets <SMBC Non-consolidated>

Six months ended September 30, 2007

(Millions of yen)

	Capital stock	Capital surplus		Retained earnings				Total stockholders' equity
		Capital reserve	Other capital surplus	Other retained earnings				
				Reserve for losses on overseas investments	Voluntary reserve for retirement allowances	Voluntary reserve	Retained earnings brought forward	
Balance at March 31, 2007	664,986	665,033	702,514	-	1,656	219,845	539,526	2,793,563
Changes in the six months								
Net income							63,798	63,798
Transfer from land revaluation excess							263	263
Net changes in the items other than stockholders' equity in the six months								
Net changes in the six months	-	-	-	-	-	-	64,062	64,062
Balance at September 30, 2007	664,986	665,033	702,514	0	1,656	219,845	603,589	2,857,625

(Millions of yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gains on other securities	Net deferred losses on hedges	Land revaluation excess	Total valuation and translation adjustments	
Balance at March 31, 2007	1,259,814	(84,733)	24,240	1,199,320	3,992,884
Changes in the six months					
Net income					63,798
Transfer from land revaluation excess					263
Net changes in the items other than stockholders' equity in the six months	(202,720)	2,339	(263)	(200,645)	(200,645)
Net changes in the six months	(202,720)	2,339	(263)	(200,645)	(136,583)
Balance at September 30, 2007	1,057,093	(82,394)	23,976	988,675	3,856,300

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

Six months ended September 30, 2006

(Millions of yen)

	Capital stock	Capital surplus		Retained earnings				Total stockholders' equity
		Capital reserve	Other capital surplus	Other retained earnings				
				Reserve for losses on overseas investments	Voluntary reserve for retirement allowances	Voluntary reserve	Retained earnings brought forward	
Balance at March 31, 2006	664,986	665,033	702,514	1	1,656	219,845	572,531	2,826,568
Changes in the six months								
Transfer from reserve for losses on overseas investments				(0)			0	-
Cash dividends							(300,027)	(300,027)
Net income							183,646	183,646
Transfer from land revaluation excess							157	157
Net changes in the items other than stockholders' equity in the six months								
Net changes in the six months	-	-	-	(0)	-	-	(116,222)	(116,223)
Balance at September 30, 2006	664,986	665,033	702,514	0	1,656	219,845	456,308	2,710,345

(Millions of yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gains on other securities	Net deferred losses on hedges	Land revaluation excess	Total valuation and translation adjustments	
Balance at March 31, 2006	783,491	-	24,716	808,207	3,634,776
Changes in the six months					
Transfer from reserve for losses on overseas investments					-
Cash dividends					(300,027)
Net income					183,646
Transfer from land revaluation excess					157
Net changes in the items other than stockholders' equity in the six months	58,166	(84,171)	(157)	(26,162)	(26,162)
Net changes in the six months	58,166	(84,171)	(157)	(26,162)	(142,385)
Balance at September 30, 2006	841,657	(84,171)	24,558	782,045	3,492,390

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

Year ended March 31, 2007

(Millions of yen)

	Capital stock	Capital surplus		Retained earnings				Total stockholders' equity
		Capital reserve	Other capital surplus	Other retained earnings				
				Reserve for losses on overseas investments	Voluntary reserve for retirement allowances	Voluntary reserve	Retained earnings brought forward	
Balance at March 31, 2006	664,986	665,033	702,514	1	1,656	219,845	572,531	2,826,568
Changes in the year								
Transfer from reserve for losses on overseas investments				(1)			1	-
Cash dividends							(349,221)	(349,221)
Net income							315,740	315,740
Transfer from land revaluation excess							475	475
Net changes in the items other than stockholders' equity in the six months								
Net changes in the year	-	-	-	(1)	-	-	(33,004)	(33,005)
Balance at March 31, 2007	664,986	665,033	702,514	0	1,656	219,845	539,526	2,793,563

(Millions of yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gains on other securities	Net deferred losses on hedges	Land revaluation excess	Total valuation and translation adjustments	
Balance at March 31, 2006	783,491	-	24,716	808,207	3,634,776
Changes in the year					
Transfer from reserve for losses on overseas investments					-
Cash dividends					(349,221)
Net income					315,740
Transfer from land revaluation excess					475
Net changes in the items other than stockholders' equity in the six months	476,323	(84,733)	(475)	391,113	391,113
Net changes in the year	476,323	(84,733)	(475)	391,113	358,108
Balance at March 31, 2007	1,259,814	(84,733)	21,240	1,199,320	3,992,884

(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 classified as "Cash and due from banks & Deposits with banks" and beneficiary claims on loan trust classified as "Commercial paper and other debt purchased" is included in the amount below.

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

(Millions of yen)

	September 30, 2007				
	Balance sheet amount	Market value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese government bonds	629,320	624,035	(5,285)	417	5,702
Japanese local government bonds	97,206	95,885	(1,321)	-	1,321
Japanese corporate bonds	380,456	377,921	(2,535)	1	2,536
Other	1,638	1,643	4	4	-
Total	1,108,622	1,099,485	(9,137)	423	9,560

(2) Investments in subsidiaries or affiliates with market value

(Millions of yen)

	September 30, 2007		
	Balance sheet amount	Market value	Net unrealized gains (losses)
Stocks of subsidiaries	43,699	77,900	34,200
Stocks of affiliates	110,781	108,910	(1,870)
Total	154,481	186,811	32,329

(3) Other securities with market value

(Millions of yen)

	September 30, 2007				
	Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Stocks	1,923,599	3,639,881	1,716,282	1,735,100	18,817
Bonds	6,887,618	6,729,914	(157,704)	969	158,674
Japanese government bonds	6,016,292	5,871,764	(144,527)	738	145,266
Japanese local government bonds	380,200	373,937	(6,262)	63	6,326
Japanese corporate bonds	491,125	484,211	(6,913)	167	7,081
Other	3,428,733	3,387,847	(40,886)	30,994	71,881
Total	12,239,951	13,757,643	1,517,691	1,767,064	249,373

(Notes)

- Of the amount of net unrealized gains (losses) on other securities with market value, JPY 1,057,047 million (after deducting JPY 460,644 million in deferred tax liabilities from net unrealized gains) are included in the Net assets under 'Net unrealized gains on other securities.'
- 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. Valuation loss (impaired) for this term is JPY 69,229 million. 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, 2007	
Investments in subsidiaries and affiliates	
Stocks of subsidiaries	1,138,882
Stocks of affiliates	9,696
Other	54,277
Other securities	
Unlisted stocks (excluding OTC stocks)	349,759
Unlisted bonds	2,683,305
Unlisted foreign securities	515,802
Other	554,378

[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, 2007					
	Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Other money held in trust	2,549	2,627	78	78	-

(Note) Net unrealized gains of 46 million yen (after deducting 31 million yen in deferred tax liabilities from 78 million yen in net unrealized gains) are included in the Net assets under 'Net unrealized gains on other securities.'

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

(Millions of yen)					
	September 30, 2007 (A)	September 30, 2006 (B)	Change (A-B)	March 31, 2007 (C)	Change (A-C)
Loans and bills discounted	4,150	8,080	(3,930)	5,350	(1,200)
Securities	285,533	241,904	43,629	267,110	18,423
Securities held in custody accounts	3,274	33,297	(30,023)	3,000	274
Monetary claims	660,147	708,378	(48,231)	703,199	(43,052)
Premises and equipment	84	-	84	25	59
Other claims	1,332	1,009	323	1,245	87
Due from banking account	45,893	50,733	(4,840)	65,062	(19,169)
Cash and due from banks	27,401	245,401	(218,000)	129,401	(102,000)
Total assets	1,027,818	1,288,805	(260,987)	1,174,396	(146,578)
Designated money trusts	262,943	430,714	(167,771)	358,058	(95,115)
Specified money trusts	88,254	98,973	(10,719)	91,741	(3,487)
Money in trusts other than money trusts	45	-	45	-	45
Security trusts	3,274	33,297	(30,023)	3,000	274
Monetary claims trusts	560,068	595,876	(35,808)	598,236	(38,168)
Composite trusts	113,230	129,944	(16,714)	123,359	(10,129)
Total liabilities	1,027,818	1,288,805	(260,987)	1,174,396	(146,578)

(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.