

Special Purpose Entities

SMBC, a consolidated subsidiary of SMFG, provides credit lines, liquidity lines and loans to fourteen special purpose entities ("SPEs") for their fund needs and issuing of commercial papers. The SPEs are engaged in purchases of monetary claims such as receivables from SMBC customers, and incorporated under the laws of the Cayman Islands or as intermediate corporations with limited liabilities.

The combined assets and liabilities of the fourteen SPEs as of their most recent closing dates were ¥2,865,600 million and ¥2,865,738 million, respectively. SMBC has no voting rights in the SPEs and sends no directors or employees.

The amounts of transactions with these SPEs in the interim period are as follows:

(Millions of yen)

	Balances of principal transactions as of September 30, 2007	Principal profit or loss for the interim period	
		Item	Amount
Loans and bills discounted	¥ 2,158,322	Interest on loans and discounts	¥ 3,950
Credit lines	859,423	Fees and commissions	1,541
Liquidity lines	429,459	—	—