

**Financial Results**  
**Fiscal Year 3/2010**  
**-Supplementary Information-**

Sumitomo Mitsui Financial Group, Inc.  
Sumitomo Mitsui Banking Corporation

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(Notes) 1. <Consolidated>: Consolidated figures of Sumitomo Mitsui Financial Group, Inc. ("SMFG")

2. <Non-consolidated>: Non-consolidated figures of Sumitomo Mitsui Banking Corporation ("SMBC")

This document contains certain forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may materially differ from those contained in the forward-looking statements as a result of various factors.

The following items are among the factors that could cause actual results to differ materially from the forward-looking statements in this material: business conditions in the banking industry, the regulatory environment, new legislation, competition with other financial services companies, changing technology and evolving banking industry standards and similar matters.

## Financial Highlights for FY3/2010

### 1. Income Analysis

<SMBC Non-consolidated>

(Millions of yen)

		FY3/2010		FY3/2009
			Change	
Gross banking profit	1	1,455,275	(69,581)	1,524,856
<i>Excluding gains (losses) on bonds</i>	2	1,418,005	(80,723)	1,498,728
Gross domestic profit	3	1,117,224	(29,978)	1,147,202
<i>Excluding gains (losses) on bonds</i>	4	1,108,154	(71,468)	1,179,622
Net interest income	5	909,934	(20,345)	930,279
Trust fees	6	1,736	(338)	2,074
Net fees and commissions	7	213,233	(7,008)	220,241
Net trading income	8	2,424	(8,339)	10,763
Net other operating income	9	(10,104)	6,052	(16,156)
<i>Gains (losses) on bonds</i>	10	9,070	41,490	(32,420)
Gross international profit	11	338,050	(39,604)	377,654
<i>Excluding gains (losses) on bonds</i>	12	309,850	(9,255)	319,105
Net interest income	13	136,448	48,339	88,109
Net fees and commissions	14	73,480	(102)	73,582
Net trading income	15	112,932	(51,343)	164,275
Net other operating income	16	15,190	(36,496)	51,686
<i>Gains (losses) on bonds</i>	17	28,199	(30,349)	58,548
Expenses (excluding non-recurring losses)	18	(685,752)	15,727	(701,479)
Personnel expenses	19	(245,728)	(8,762)	(236,966)
Non-personnel expenses	20	(403,265)	22,966	(426,231)
Taxes	21	(36,759)	1,523	(38,282)
Banking profit (before provision for general reserve for possible loan losses)	22	769,522	(53,855)	823,377
<i>Excluding gains (losses) on bonds</i>	23	732,252	(64,996)	797,248
Provision for general reserve for possible loan losses	24	9,067	84,797	(75,730)
Banking profit	25	778,589	30,942	747,647
Gains (losses) on bonds	26	37,270	11,142	26,128
Non-recurring gains (losses)	27	(315,839)	395,752	(711,591)
Credit costs	28	(263,805)	210,553	(474,358)
Gains (losses) on stocks	29	3,857	224,286	(220,429)
Gains on sale of stocks and other securities	30	56,719	49,653	7,066
Losses on sale of stocks and other securities	31	(886)	3,462	(4,348)
Losses on devaluation of stocks and other securities	32	(51,975)	171,172	(223,147)
Other non-recurring gains (losses)	33	(55,892)	(39,089)	(16,803)
Ordinary profit	34	462,749	426,694	36,055
Extraordinary gains (losses)	35	(7,999)	270	(8,269)
Gains (losses) on disposal of fixed assets	36	2,448	4,587	(2,139)
Losses on impairment of fixed assets	37	(10,525)	(4,387)	(6,138)
Recoveries of written-off claims	38	77	69	8
Income before income taxes	39	454,750	426,964	27,786
Income taxes-current	40	(44,997)	(21,249)	(23,748)
Income taxes-deferred	41	(91,757)	213,397	(305,154)
Net income (loss)	42	317,995	619,111	(301,116)
Total credit cost (24+28+38)	43	(254,660)	295,419	(550,079)
Provision for general reserve for possible loan losses	44	9,067	84,797	(75,730)
Write-off of loans	45	(102,663)	128,749	(231,412)
Provision for specific reserve for possible loan losses	46	(92,114)	90,232	(182,346)
Losses on sales of delinquent loans	47	(69,259)	(9,077)	(60,182)
Provision for loan loss reserve for specific overseas	48	232	649	(417)
Recoveries of written-off claims	49	77	69	8

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

## &lt;Consolidated&gt;

(Millions of yen)

		FY3/2010		FY3/2009
			Change	
Consolidated gross profit	1	2,236,634	70,754	2,165,880
Net interest income	2	1,380,912	42,459	1,338,453
Trust fees	3	1,778	(344)	2,122
Net fees and commissions	4	608,616	51,438	557,178
Net trading income	5	194,087	(17,651)	211,738
Net other operating income	6	51,238	(5,148)	56,386
General and administrative expenses	7	(1,161,302)	(97,883)	(1,063,419)
Credit costs	8	(473,937)	295,547	(769,484)
Write-off of loans	9	(176,672)	125,681	(302,353)
Provision for specific reserve for possible loan losses	10	(184,257)	113,143	(297,400)
Provision for general reserve for possible loan losses	11	(17,944)	86,201	(104,145)
Other credit costs	12	(95,063)	(29,478)	(65,585)
Gains (losses) on stocks	13	(10,078)	173,599	(183,677)
Equity in earnings (losses) of affiliates	14	(21,542)	73,334	(94,876)
Other income (expenses)	15	(11,003)	(1,892)	(9,111)
Ordinary profit	16	558,769	513,458	45,311
Extraordinary gains (losses)	17	(671)	15,144	(15,815)
Losses on impairment of fixed assets	18	(12,856)	(5,493)	(7,363)
Recoveries of written-off claims	19	968	(740)	1,708
Income before income taxes and minority interests	20	558,097	528,602	29,495
Income taxes-current	21	(104,110)	(31,872)	(72,238)
Income taxes-deferred	22	(74,759)	187,646	(262,405)
Minority interests in net income	23	(107,668)	(39,360)	(68,308)
Net income (loss)	24	271,559	645,015	(373,456)

(Note) Consolidated gross profit = (Interest income - interest expenses) + Trust fees + (Fees and commissions - Fees and commissions payments)  
+ (Trading income - Trading losses) + (Other operating income - Other operating expenses)

Total credit cost (8+19)	25	(472,968)	294,807	(767,775)
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## (Reference)

(Billions of yen)

Consolidated net business profit	26	832.3	103.6	728.7
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(Note) Consolidated net business profit = (SMBC's Non-consolidated banking profit (before provision for general reserve for possible loan losses))  
+ (Other consolidated subsidiaries' ordinary profit (excluding non-recurring items)) + (Affiliates' ordinary profit) X (Ownership ratio)  
- (Internal transactions (dividends, etc.))

## (Number of consolidated subsidiaries and affiliates)

		Mar. 31, 2010	Change	Mar. 31, 2009
Consolidated subsidiaries	27	307	19	288
Affiliated companies accounted for by equity method	28	58	(21)	79

## 2. Banking Profit per Employee / Overhead Ratio &lt;SMBC Non-consolidated&gt;

(Millions of yen, %)

	FY3/2010		FY3/2009
		Change	
(1) Banking profit (before provision for general reserve for possible loan losses)	769,522	(53,855)	823,377
Per employee (thousands of yen)	33,509	(4,769)	38,278
(2) Banking profit	778,589	30,942	747,647
Per employee (thousands of yen)	33,904	(854)	34,758
(3) Banking profit (before provision for general reserve for possible loan losses, excluding gains (losses) on bonds)	732,252	(64,996)	797,248
Per employee (thousands of yen)	31,886	(5,178)	37,064
Overhead ratio	47.1	1.1	46.0

(Notes) 1. Employees include executive officers (other than board members) and overseas local staff, and exclude temporary staff, employees temporarily transferred from other companies, and transferred staff to other companies.

2. Banking profit per employee is calculated on the basis of the average number of employees during the period.

3. Overhead ratio = Expenses (excluding non-recurring losses) / Gross banking profit

## 3. Interest Spread (Domestic) &lt;SMBC Non-consolidated&gt;

(%)

	FY3/2010					FY3/2009
		Six Months ended	Six Months ended	Three Months ended	Three Months ended	
		Sep. 30, 2009	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2010	
Yield on interest earning assets (A)	1.43	1.46	1.40			1.71
Interest earned on loans and bills discounted (C)	1.74	1.77	1.71	1.70	1.72	1.99
Interest earned on securities	0.80	0.82	0.78			1.09
Total cost of funding (including expenses) (B)	1.02	1.03	1.01			1.23
Cost of interest bearing liabilities	0.20	0.22	0.18			0.35
Interest paid on deposits, etc. (D)	0.14	0.15	0.12	0.13	0.12	0.23
Interest paid on other liabilities	0.29	0.30	0.28			0.57
Expense ratio	0.82	0.81	0.83			0.88
Overall interest spread (A) - (B)	0.41	0.43	0.39			0.48
Interest spread (C) - (D)	1.60	1.62	1.59	1.57	1.60	1.76

## 4. Gains (Losses) on Securities &lt;SMBC Non-consolidated&gt;

(Millions of yen)

	FY3/2010		FY3/2009
		Change	
Gains (losses) on bonds	37,270	11,142	26,128
Gains on sales	82,166	(61,196)	143,362
Losses on sales	(27,188)	37,698	(64,886)
Gains on redemption	4	(53)	57
Losses on redemption	(17,401)	28,451	(45,852)
Losses on devaluation	(310)	6,242	(6,552)
Gains (losses) on stocks	3,857	224,286	(220,429)
Gains on sales	56,719	49,653	7,066
Losses on sales	(886)	3,462	(4,348)
Losses on devaluation	(51,975)	171,172	(223,147)

## 5. Unrealized Gains (Losses) on Securities

## (1) Evaluation method of securities

Trading purpose	Fair value method (net unrealized gains (losses) are recognized in the fiscal year's earnings)
Held-to-maturity purpose	Amortized cost method
Other securities	With fair value
	Whose fair value is extremely difficult to determine
Investments in subsidiaries and affiliates	Cost method

(Notes) 1. Securities in money held in trust are valued by the same method as above.

2. Among Net unrealized gains (losses) on other securities, the amount that is recognized in the fiscal year's earnings by applying fair value hedge accounting is not included in Net assets.

## (2) Unrealized gains (losses)

&lt;SMBC Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2010				Mar. 31, 2009		
	Net unrealized gains (losses)				Net unrealized gains (losses)		
	(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose	57,903	30,052	58,530	(626)	27,851	28,155	(304)
Stocks of subsidiaries and affiliates	(13,471)	(9,935)	-	(13,471)	(3,536)	-	(3,536)
Other securities	521,377	564,078	738,870	(217,493)	(42,701)	337,535	(380,237)
Stocks	371,459	388,004	518,132	(146,672)	(16,545)	273,058	(289,604)
Bonds	116,145	117,386	123,064	(6,918)	(1,241)	16,910	(18,152)
Others	33,772	58,686	97,674	(63,901)	(24,914)	47,566	(72,480)
Other money held in trust	62	324	157	(95)	(262)	-	(262)
Total	565,872	584,521	797,558	(231,686)	(18,649)	365,691	(384,341)
Stocks	365,979	386,061	518,132	(152,153)	(20,082)	273,058	(293,140)
Bonds	174,049	147,440	181,594	(7,545)	26,609	45,066	(18,456)
Others	25,843	51,019	97,831	(71,987)	(25,176)	47,566	(72,743)

(Notes) 1. The figures above include unrealized gains (losses) on negotiable certificates of deposit in 'Cash and due from banks' and beneficiary claims on loan trust in 'Monetary claims bought,' etc.

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. Unrealized gains (losses) indicate the difference between the acquisition costs (or amortized costs) and the balance sheet amounts.

Among Net unrealized gains (losses) on other securities as of March 31, 2010, 105 million yen that is recognized in the fiscal year's earnings by applying fair value hedge accounting is not included in Net assets.

4. Floating-rate Japanese government bonds which SMBC held as Other securities are carried on the balance sheet at their reasonably estimated amounts in accordance with the "Practical Solution on Measurement of Fair Value of Financial Assets" (Accounting Standard Board of Japan Practical Issues Task Force No. 25, issued on October 28, 2008).

5. "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, partially revised on March 10, 2008) became effective from the fiscal year ending on and after March 31, 2010.

SMFG has applied them from FY3/2010. Accordingly, this accounting change has the following impact on the non-consolidated financial statements as compared with the previous accounting method: Monetary claims bought increased by 8,710 million yen, Bonds in Securities increased by 46,708 million yen, Stocks in Securities increased by 1,217 million yen, Net unrealized gains (losses) on other securities increased by 39,714 million yen, Other securities in Securities decreased by 604 million yen, Deferred tax assets related to Net unrealized gains (losses) on other securities decreased by 27,178 million yen, and Reserve for possible loan losses decreased by 29,909 million yen.

&lt;Consolidated&gt;

(Millions of yen)

	Mar. 31, 2010				Mar. 31, 2009		
	Net unrealized gains (losses)				Net unrealized gains (losses)		
	(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose	58,610	31,869	59,344	(734)	26,741	28,155	(1,414)
Other securities	586,414	619,590	799,355	(212,941)	(33,176)	356,834	(390,011)
Stocks	410,984	403,922	543,745	(132,761)	7,062	287,380	(280,317)
Bonds	123,658	126,484	131,821	(8,163)	(2,826)	21,534	(24,360)
Others	51,771	89,183	123,788	(72,017)	(37,412)	47,920	(85,332)
Other money held in trust	62	324	157	(95)	(262)	-	(262)
Total	645,087	651,784	858,858	(213,770)	(6,697)	384,990	(391,688)
Stocks	410,984	403,922	543,745	(132,761)	7,062	287,380	(280,317)
Bonds	182,369	157,950	191,162	(8,793)	24,419	49,690	(25,270)
Others	51,733	89,913	123,950	72,216	(38,180)	47,920	(86,100)

(Notes) 1. The figures above include unrealized gains (losses) on negotiable certificates of deposit in 'Cash and due from banks' and beneficiary claims on loan trust in 'Monetary claims bought,' etc.

2. Unrealized gains (losses) of stocks 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. Unrealized gains (losses) indicate the difference between the acquisition costs (or amortized costs) and the balance sheet amounts.

Among Net unrealized gains (losses) on other securities as of March 31, 2010, 105 million yen that is recognized in the fiscal year's earnings by applying fair value hedge accounting is not included in Net assets.

4. Floating-rate Japanese government bonds which SMBC held as Other securities are carried on the balance sheet at their reasonably estimated amounts in accordance with the "Practical Solution on Measurement of Fair Value of Financial Assets" (Accounting Standard Board of Japan Practical Issues Task Force No. 25, issued on October 28, 2008).

5. "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, partially revised on March 10, 2008) and "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, issued on March 10, 2008) became effective from the fiscal year ending on and after March 31, 2010. SMFG has applied them from FY3/2010. Accordingly, this accounting change has the following impact on the consolidated financial statements as compared with the previous accounting method:

Monetary claims bought increased by 8,710 million yen, Securities increased by 41,914 million yen, Net unrealized gains (losses) on other securities increased by 39,315 million yen, Deferred tax assets related to Net unrealized gains (losses) on other securities decreased by 27,056 million yen, and Reserve for possible loan losses decreased by 34,999 million yen.

## 6. Redemption Schedule of Other Securities &lt;SMBC Non-consolidated&gt;

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

(Billions of yen)

	Mar. 31, 2010					Mar. 31, 2009				
	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years	Total	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years	Total
Bonds	8,554.9	7,794.1	2,622.0	438.2	19,409.4	3,232.7	11,178.7	1,827.6	1,609.8	17,849.0
Japanese government bonds	8,305.2	5,527.3	1,899.2	353.8	16,085.6	2,766.8	9,016.2	1,000.8	1,372.9	14,156.9
Japanese local government bonds	5.0	168.4	47.6	0.0	221.2	6.5	155.1	68.2	0.0	230.0
Japanese corporate bonds	244.6	2,098.3	675.2	84.4	3,102.6	459.2	2,007.3	758.4	236.8	3,461.9
Others	657.3	2,700.9	546.6	167.4	4,072.3	892.5	4,198.3	770.8	443.2	6,305.0
Total	9,212.3	10,495.1	3,168.6	605.7	23,481.8	4,125.3	15,377.1	2,598.5	2,053.1	24,154.1

7. Overview of Derivative Transactions (on Deferred Hedge Accounting Basis)  
<SMBC Non-consolidated>

(Billions of yen)

	Mar. 31, 2010				Mar. 31, 2009			
	Assets (a)	Liabilities (b)	Net assets (a) - (b)	Net deferred gains (losses)	Assets (c)	Liabilities (d)	Net assets (c) - (d)	Net deferred gains (losses)
Interest rate swaps	57.0	30.8	26.2	(70.1)	106.3	39.1	67.2	(64.4)
Currency swaps	170.4	6.6	163.8	3.6	124.5	1.9	122.6	25.9
Others	1.6	0.5	1.1	88.1	2.0	2.8	(0.8)	69.8
Total	229.0	37.9	191.1	21.6	232.8	43.8	189.0	31.3

(Notes) 1. Derivative transactions are valued at fair value on the balance sheet.

2. SMBC applied deferred hedge or fair value hedge accounting based on Practical Guidelines for Accounting Standard for Financial Instruments as well as deferred hedge accounting for banking industry based on JICPA Industry Audit Committee Report No.24 and No.25.

3. Figures for Net deferred gains (losses) are those before application of tax effect accounting.

(Appendix) Contract amount of interest rate swaps (on deferred hedge accounting basis), classified by maturity

(Billions of yen)

	Mar. 31, 2010				Mar. 31, 2009			
	1 year or less	More than 1 year to 5 years	More than 5 years	Total	1 year or less	More than 1 year to 5 years	More than 5 years	Total
Receivable fixed rate /payable floating rate	4,467.7	15,282.9	3,137.2	22,887.8	3,822.8	11,964.6	3,325.7	19,113.1
Receivable floating rate /payable fixed rate	1,386.4	4,866.6	4,116.4	10,369.4	2,207.1	5,173.5	3,828.6	11,209.2
Receivable floating rate /payable floating rate	30.0	29.8	-	59.8	-	50.5	-	50.5
Total contract amount	5,884.1	20,179.3	7,253.6	33,317.0	6,029.9	17,188.6	7,154.3	30,372.8

## 8. Employee Retirement Benefits

## (1) Projected benefit obligation

&lt;SMBC Non-consolidated&gt;

(Millions of yen)

		Mar. 31, 2010		Mar. 31, 2009
			Change	
Projected benefit obligation	(A)	837,900	(2,455)	840,355
<Discount rate>		<2.5%>	-	<2.5%>
Fair value of plan assets	(B)	833,893	124,914	708,979
Reserve for employee retirement benefits	(C)	-	-	-
Prepaid pension cost	(D)	198,904	(13,932)	212,836
Unrecognized prior service cost (deductible from the obligation)	(E)	(14,662)	11,084	(25,746)
Unrecognized net actuarial gain (loss)	(A-B-C+D-E)	217,574	(152,384)	369,958

(Reference) &lt;Consolidated&gt;

(Millions of yen)

		Mar. 31, 2010		Mar. 31, 2009
			Change	
Projected benefit obligation	(A)	938,161	20,080	918,081
Fair value of plan assets	(B)	891,366	148,449	742,917
Reserve for employee retirement benefits	(C)	41,691	6,048	35,643
Prepaid pension cost	(D)	205,931	(10,278)	216,209
Unrecognized prior service cost (deductible from the obligation)	(E)	(15,234)	11,186	(26,420)
Unrecognized net actuarial gain (loss)	(A-B-C+D-E)	226,268	(155,883)	382,151

## (2) Pension expenses

&lt;SMBC Non-consolidated&gt;

(Millions of yen)

		FY3/2010		FY3/2009
			Change	
Pension expenses		62,180	36,546	25,634
Service cost		16,335	677	15,658
Interest cost on projected benefit obligation		21,008	19	20,989
Expected returns on plan assets		(23,198)	7,365	(30,563)
Amortization of unrecognized prior service cost		(11,084)	-	(11,084)
Amortization of unrecognized net actuarial gain (loss)		58,192	28,091	30,101
Others		926	393	533

(Reference) &lt;Consolidated&gt;

(Millions of yen)

		FY3/2010		FY3/2009
			Change	
Pension expenses		73,146	35,244	37,902



## 9. BIS Capital Ratio

<Consolidated> (Billions of yen, %)

	Mar. 31, 2010 (a)		Mar. 31, 2009
	[Preliminary]	(a) - (b)	(b)
(1) Capital ratio	15.02	3.55	11.47
Tier I ratio	11.15	2.93	8.22
(2) Tier I	6,032.3	1,697.2	4,335.1
(3) Tier II	2,563.9	142.9	2,421.0
(4) Subtraction items	467.9	(240.3)	708.2
(5) Total capital (2) + (3) - (4)	8,128.2	2,080.4	6,047.8
(6) Risk-adjusted assets	54,084.5	1,358.0	52,726.5
(7) Required capital (6) X 8%	4,326.8	108.7	4,218.1

## &lt;SMBC consolidated&gt;

	16.68	3.14	13.54
Capital ratio (BIS Guidelines)			

## &lt;SMBC Non-consolidated&gt;

	18.28	4.43	13.85
Capital ratio (BIS Guidelines)			

## 10. ROE &lt;Consolidated&gt;

(%)

	FY3/2010		FY3/2009
	(a)	(a) - (b)	(b)
ROE (denominator: Total net assets)	7.6	21.9	(14.3)

(Note)

$$\text{ROE} = \frac{(\text{Net income} - \text{Dividends on preferred stocks})}{\frac{\{[(\text{Net assets at the beginning of the term}) - (\text{Stock acquisition rights at the beginning of the term}) - (\text{Minority interests at the beginning of the term}) - (\text{Number of preferred shares outstanding at the beginning of the term}) \times (\text{Issue price})\} + \{[(\text{Net assets at the end of the term}) - (\text{Stock acquisition rights at the end of the term}) - (\text{Minority interests at the end of the term}) - (\text{Number of preferred shares outstanding at the end of the term}) \times (\text{Issue price})\}]}{2}} \times 100$$

(%)

	FY3/2010		FY3/2009
	(a)	(a) - (b)	(b)
ROE (denominator: Total stockholders' equity)	7.5	20.6	(13.1)

(Note)

$$\text{ROE} = \frac{\text{Net income}}{\frac{(\text{Total stockholders' equity at the beginning of the term}) + (\text{Total stockholders' equity at the end of the term})}{2}} \times 100$$

## 11. Classification under Self-Assessment, Disclosure of Problem Assets, and Write-Offs / Reserves <SMBC Non-consolidated>

&lt; As of Mar. 31, 2010 &gt;

(Billions of yen)

Category of Borrowers under Self-Assessment	Problem Assets based on the Financial Reconstruction Law	Classification under Self-Assessment				Reserve for possible loan losses	Reserve Ratio	
		Classification I	Classification II	Classification III	Classification IV			
Bankrupt Borrowers	Bankrupt and Quasi-Bankrupt Assets 224.3 (i) (Change from Mar. 31, 2009: (95.3))	Portion of claims secured by collateral or guarantees, etc. 206.0 (a)	Fully reserved 18.3	Direct Write-Offs (*1)	Specific Reserve 24.4 (*2)	100% (*3)		
Effectively Bankrupt Borrowers								
Potentially Bankrupt Borrowers	Doubtful Assets 697.7 (ii) (Change from Mar. 31, 2009: +19.4)	Portion of claims secured by collateral or guarantees, etc. 415.7 (b)	Necessary amount reserved 282.0		Specific Reserve 221.6 (*2)	78.58% (*3)		
Borrowers Requiring Caution	Substandard Loans 178.7 (iii) (Change from Mar. 31, 2009: (17.6)) (Claims to Substandard Borrowers)	Portion of Substandard Loans secured by collateral or guarantees, etc. 75.9 (c)			General Reserve for Substandard Loans 53.2	53.50% (*3)	16.81% (*3)	
	Normal Assets 62,116.0	Claims to Borrowers Requiring Caution, excluding claims to Substandard Borrowers			General Reserve 512.0 (*5)	7.30% [ 14.37% ] (*4)		
Normal Borrowers		Claims to Normal Borrowers				0.24% (*4)		
					Loan loss Reserve for Specific Overseas Countries 0.1			
Total 63,216.7 (iv)		Problem asset ratio ((v)/(iv)) (Change from Mar. 31, 2009) 1.74% ((0.04%))	Total Reserve for possible loan losses 758.1		Reserve Ratio (*6) (D/C) 74.22%			
A=(i)+(ii)+(iii) 1,100.7 (v) (Change from Mar. 31, 2009: (93.5))		B: Portion secured by collateral or guarantees, etc. (a)+(b)+(c) 697.6	C: Unsecured portion ( A - B ) 403.1		Coverage Ratio ((B+D)/A) 90.56%			

(\*1) Includes amount of direct reduction totaling 478.0 billion yen.

(\*2) Includes reserve for assets that are not subject to disclosure based on the Financial Reconstruction Law standards.  
(Bankrupt/Effectively Bankrupt Borrowers: 6.0 billion yen, Potentially Bankrupt Borrowers: 11.6 billion yen)

(\*3) Reserve ratios for claims on Bankrupt Borrowers, Effectively Bankrupt Borrowers, Potentially Bankrupt Borrowers, Substandard Borrowers and Borrowers Requiring Caution including Substandard Borrowers are the proportion of reserve for the possible loan losses to each category's total claims, excluding the portion secured by collateral or guarantees, etc..

(\*4) Reserve ratios for claims on Normal Borrowers and Borrowers Requiring Caution (excluding claims to Substandard Borrowers) are the proportion of the reserve for possible loan losses to the respective claims of each category.

The reserve ratio for unsecured claims on Borrowers Requiring Caution (excluding claims to Substandard Borrowers) is shown in [ ].

(\*5) Includes amount of Specific Reserve for Borrowers Requiring Caution totaling 16.3 billion yen.

(\*6) The proportion of the reserve to the claims, excluding the portion secured by collateral or guarantees, etc.

## 12. Risk-Monitored Loans

&lt;SMBC Non-consolidated&gt;

(Millions of yen)

		Mar. 31, 2010		Mar. 31, 2009
		(a)	(a) - (b)	(b)
Risk-monitored loans	Bankrupt loans	112,973	(83,089)	196,062
	Non-accrual loans	776,364	31,672	744,692
	Past due loans (3 months or more)	22,889	(9,660)	32,549
	Restructured loans	155,790	(7,963)	163,753
	Total	1,068,017	(69,041)	1,137,058

Amount of direct reduction                      411,715                      (7,796)                      419,511

Total loans (term-end balance)	56,619,058	(3,622,208)	60,241,266
--------------------------------	------------	-------------	------------

(%)

Ratio to total loans	Bankrupt loans	0.2	(0.1)	0.3
	Non-accrual loans	1.4	0.2	1.2
	Past due loans (3 months or more)	0.0	(0.1)	0.1
	Restructured loans	0.3	0.0	0.3
	Total	1.9	0.0	1.9

&lt;Consolidated&gt;

(Millions of yen)

		Mar. 31, 2010		Mar. 31, 2009
		(a)	(a) - (b)	(b)
Risk-monitored loans	Bankrupt loans	165,131	(126,957)	292,088
	Non-accrual loans	1,075,782	56,430	1,019,352
	Past due loans (3 months or more)	38,315	2,153	36,162
	Restructured loans	250,256	11,543	238,713
	Total	1,529,484	(56,833)	1,586,317

Amount of direct reduction                      727,633                      119,697                      607,936

Total loans (term-end balance)	62,701,033	(2,434,286)	65,135,319
--------------------------------	------------	-------------	------------

(%)

Ratio to total loans	Bankrupt loans	0.3	(0.1)	0.4
	Non-accrual loans	1.7	0.1	1.6
	Past due loans (3 months or more)	0.1	0.0	0.1
	Restructured loans	0.4	0.0	0.4
	Total	2.4	0.0	2.4

## 13. Reserve for Possible Loan Losses

&lt;SMBC Non-consolidated&gt; (Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Reserve for possible loan losses	758,178	(33,707)	791,885
General reserve	495,650	(10,999)	506,649
Specific reserve	262,343	(22,475)	284,818
Loan loss reserve for specific overseas countries	184	(233)	417
Amount of direct reduction	478,042	(1,442)	479,484

&lt;Consolidated&gt; (Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Reserve for possible loan losses	1,068,329	(9,523)	1,077,852
General reserve	702,606	11,067	691,539
Specific reserve	365,087	(19,963)	385,050
Loan loss reserve for specific overseas countries	636	(625)	1,261
Amount of direct reduction	843,781	126,771	717,010

## 14. Reserve Ratio to Risk-Monitored Loans

&lt;SMBC Non-consolidated&gt; (%)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Before direct reduction	83.5	1.8	81.7
After direct reduction	71.0	1.4	69.6

&lt;Consolidated&gt; (%)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Before direct reduction	84.7	2.9	81.8
After direct reduction	69.8	1.9	67.9

(Note) Reserve ratio to risk-monitored loans = (Reserve for possible loan losses) / (Risk-monitored loans)

## 15. Problem Assets Based on the Financial Reconstruction Law and the Coverage

&lt;SMBC Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt assets	224,335	(95,292)	319,627
Doubtful assets	697,670	19,430	678,240
Substandard loans	178,679	(17,624)	196,303
Total (A)	1,100,685	(93,485)	1,194,170
Normal assets	62,116,059	(3,912,517)	66,028,576
Total (B)	63,216,745	(4,006,002)	67,222,747
Problem asset ratio (A/B)	1.74	(0.04)	1.78

Amount of direct reduction 478,042 (1,442) 479,484

(Note) Problem Assets Based on the Financial Reconstruction Law include loans, acceptances and guarantees, temporary advance, and other credit-type assets.

Privately-placed bonds guaranteed by SMBC has been recorded with fair value since March 31, 2010, in accordance with the revision of "Accounting Standard for Financial Instruments."

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Total coverage (C)	996,736	(31,600)	1,028,336
Reserve for possible loan losses* (D)	299,189	(41,703)	340,892
Amount recoverable by guarantees, collateral and others (E)	697,546	10,102	687,444

(\*) Sum of general reserve for substandard loans and specific reserve.

(%)

Coverage ratio (C) / (A)	90.56	4.45	86.11
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	132.26	8.38	123.88

(%)

Reserve ratio to unsecured assets (D) / (A - E)	74.22	6.95	67.27
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	188.07	31.80	156.27

&lt;Consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt assets	392,424	(113,242)	505,666
Doubtful assets	881,239	15,636	865,603
Substandard loans	298,179	16,262	281,917
Total (A)	1,571,842	(81,344)	1,653,186
Normal assets	68,431,335	(2,463,267)	70,894,602
Total (B)	70,003,177	(2,544,611)	72,547,788
Problem asset ratio (A/B)	2.25	(0.03)	2.28

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Total coverage (C)	1,389,279	(21,067)	1,410,346
Reserve for possible loan losses (D)	374,383	(23,592)	397,975
Amount recoverable due to guarantees, collateral and others (E)	1,014,896	2,525	1,012,371

(%)

Coverage ratio (C) / (A)	88.39	3.08	85.31
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	132.53	6.09	126.44

(%)

Reserve ratio to unsecured assets (D) / (A - E)	67.22	5.12	62.10
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	191.82	23.62	168.20

## 16. Progress in Off-Balancing of Problem Assets &lt;SMBC Non-consolidated&gt;

(Performance of the first half-year)

(Billions of yen)

	Mar. 31, 2009	Change in the six months ended Sep. 30, 2009	Problem assets newly classified during the six months ended Sep. 30, 2009	Amount of off-balancing	Sep. 30, 2009
Bankrupt and quasi-bankrupt assets	319.6	(30.6)	51.7	(82.3)	289.0
Doubtful assets	678.3	88.9	296.3	(207.4)	767.2
Total	997.9	58.3	(*) 348.0	(289.7)	1,056.2
Result of measures connected to off-balancing(*2)	285.6				249.3

Breakdown of off-balancing by factor(*3)		
		(Billions of yen)
Disposition by borrowers' liquidation		(13.0)
Reconstructive disposition		(2.0)
Improvement in debtors' performance due to reconstructive disposition		-
Loan sales to market		(62.1)
Direct write-offs		(7.8)
Others		(204.8)
	Collection/repayment, etc.	(171.5)
	Improvement in debtors' performance	(33.3)
Total		(289.7)

(Performance of the second half-year)

(Billions of yen)

	Sep. 30, 2009	Change in the six months ended Mar. 31, 2010	Problem assets newly classified during the six months ended Mar. 31, 2010	Amount of off-balancing	Mar. 31, 2010
Bankrupt and quasi-bankrupt assets	289.0	(64.7)	34.4	(99.1)	224.3
Doubtful assets	767.2	(69.5)	233.0	(302.5)	697.7
Total	1,056.2	(134.2)	267.4	(*) (401.6)	922.0
Result of measures connected to off-balancing(*2)	249.3				186.5

Breakdown of off-balancing by factor(*3)		
		(Billions of yen)
Disposition by borrowers' liquidation		(18.4)
Reconstructive disposition		(21.4)
Improvement in debtors' performance due to reconstructive disposition		(2.7)
Loan sales to market		(142.7)
Direct write-offs		81.6
Others		(298.0)
	Collection/repayment, etc.	(204.1)
	Improvement in debtors' performance	(93.9)
Total		(401.6)

(\*1) The amount of Problem assets newly classified during the six months ended Sep. 30, 2009 and off-balanced in the six months ended Mar. 31, 2010 was 179.6 billion yen.

(\*2) The measures connected to off-balancing are legal reorganizations and other similar measures, corporate splits to good companies and bad companies, partial direct write-offs of retail exposure to individuals and small- and medium-sized enterprises, and trusts to RCC for the purpose of revitalization which is scheduled to be off-balanced before the maturity.

(\*3) 1. "Disposition by borrowers' liquidation" refers to abandonment or write-off of loans involved in bankruptcy liquidation proceedings (bankruptcy or special liquidations).

2. "Reconstructive disposition" refers to abandonment of loans involved in reconstructive bankruptcy proceedings (corporate reorganization, civil rehabilitation, composition and arrangement), debt forgiveness involved in special mediation or other types of civil mediation, or debt forgiveness for restructuring involved in private reorganization.

## 17. Loan Portfolio, Classified by Industry &lt;SMBC Non-consolidated&gt;

## (1) Loans and bills discounted, classified by industry

(Millions of yen)

	Mar. 31, 2010	
		Risk-Monitored Loans
Domestic offices (excluding offshore banking accounts)	49,525,741	931,175
Manufacturing	6,308,200	80,515
Agriculture, forestry, fisheries and mining	146,765	3,984
Construction	897,987	62,569
Transportation, communications and public enterprises	3,067,711	80,854
Wholesale and retail	4,061,267	97,309
Finance and insurance	5,907,426	22,440
Real estate and goods rental and leasing*	6,809,580	316,152
Various services	3,769,330	177,015
Municipalities	984,186	-
Others	17,573,287	90,333
Overseas offices and offshore banking accounts	7,093,316	136,841
Public sector	21,320	-
Financial institutions	484,892	11,189
Commerce and industry	6,026,280	125,651
Others	560,823	-
Total	56,619,058	1,068,017

(\*) New division "Real estate and goods rental and leasing" was established by integrating former division "Real estate" and former major group "Goods rental and leasing" of division "Various services."

	Mar. 31, 2009	
		Risk-Monitored Loans
Domestic offices (excluding offshore banking accounts)	51,241,816	941,669
Manufacturing	6,632,207	70,326
Agriculture, forestry, fisheries and mining	143,591	3,588
Construction	1,088,910	88,607
Transportation, communications and public enterprises	3,208,281	68,771
Wholesale and retail	4,632,637	88,611
Finance and insurance	5,967,376	43,554
Real estate	6,222,052	336,512
Various services	5,260,544	163,806
Municipalities	970,577	-
Others	17,115,639	77,890
Overseas offices and offshore banking accounts	8,999,450	195,389
Public sector	25,567	-
Financial institutions	524,236	26,118
Commerce and industry	7,708,512	169,270
Others	741,134	-
Total	60,241,266	1,137,058

(Notes) 1. In accordance with the revision of the Japan Standard Industrial Classification (as revised in November 2007), Mar. 31, 2009 result is based on former classification and Mar. 31, 2010 result is based on new classification. (hereinafter the same shall apply)

2. New division "Real estate and goods rental and leasing" was established by integrating division "Real estate" and major group "Goods rental and leasing" of division "Various services."

## (2) Problem assets based on the Financial Reconstruction Law classified by industry, and reserve ratio

(Millions of yen, %)

	Mar. 31, 2010	
		Reserve ratio
Domestic offices (excluding offshore banking accounts)	958,756	77.1
Manufacturing	84,163	71.8
Agriculture, forestry, fisheries and mining	4,051	65.6
Construction	66,155	81.0
Transportation, communications and public enterprises	81,187	73.0
Wholesale and retail	102,208	73.2
Finance and insurance	23,336	65.9
Real estate and goods rental and leasing*	323,851	90.3
Various services	181,331	65.2
Municipalities	-	-
Others	92,471	100.0
Overseas offices and offshore banking accounts	141,929	59.7
Public sector	-	-
Financial institutions	11,668	80.8
Commerce and industry	130,261	58.7
Others	-	-
Total	1,100,685	74.2

(\*) New division "Real estate and goods rental and leasing" was established by integrating former division "Real estate" and former major group "Goods rental and leasing" of division "Various services."

(Millions of yen, %)

	Mar. 31, 2009	
		Reserve ratio
Domestic offices (excluding offshore banking accounts)	991,400	71.6
Manufacturing	77,694	68.2
Agriculture, forestry, fisheries and mining	3,984	69.3
Construction	95,498	73.8
Transportation, communications and public enterprises	69,406	56.6
Wholesale and retail	98,248	81.2
Finance and insurance	44,520	66.2
Real estate	346,983	79.6
Various services	175,112	62.0
Municipalities	-	-
Others	79,951	100.0
Overseas offices and offshore banking accounts	202,770	55.3
Public sector	-	-
Financial institutions	26,867	67.6
Commerce and industry	175,902	54.9
Others	-	-
Total	1,194,170	67.3

(Notes) 1. Problem assets based on the Financial Reconstruction Law include loans, acceptances and guarantees, suspense payments, and other credit-type assets.

2. Reserve ratio = (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to guarantees, collateral and others) X 100

Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

3. New division "Real estate and goods rental and leasing" was established by integrating division "Real estate" and major group

"Goods rental and leasing" of division "Various services."

## (3) Consumer loans outstanding

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Consumer loans	15,400,531	397,675	15,002,856
Housing loans	14,497,508	420,378	14,077,130
Residential purpose	11,010,697	500,852	10,509,845
Other consumer loans	903,023	(22,703)	925,726

## (4) Loans to small- and medium-sized enterprises, etc.

(Millions of yen, %)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Outstanding balance	34,457,098	(1,210,756)	35,667,854
Ratio to total loans	69.6	0.0	69.6

(Note) Outstanding balance does not include loans at overseas offices and offshore banking accounts.



## 18. Loan Portfolio, Classified by Country &lt;SMBC Non-consolidated&gt;

## (1) Loans to specific overseas countries

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Loan balance	1,339	(3,347)	4,686
Number of countries	4	-	4

## (2) Loans outstanding, classified by major domicile

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Asia	2,071,172	(374,175)	2,445,347
Indonesia	88,084	568	87,516
Thailand	293,468	(16,174)	309,642
Korea	194,004	72,837	121,167
Hong Kong	518,076	2,203	515,873
China	86,312	(431,797)	518,109
Singapore	526,645	18,741	507,904
India	145,648	(5,212)	150,860
Others	218,933	(15,341)	234,274
North America	2,459,596	(935,580)	3,395,176
Central and South America	1,010,830	180,144	830,686
Brazil	94,414	(1,108)	95,522
Panama	780,931	149,661	631,270
Others	135,484	31,592	103,892
Western Europe	1,184,928	(372,492)	1,557,420
Greece	837	(47)	884
Others	1,184,091	(372,445)	1,556,536
Eastern Europe	391,418	(63,900)	455,318
Russia	334,740	(49,630)	384,370
Others	56,677	(14,271)	70,948
Others	1,123,863	53,509	1,070,354
Total	8,241,810	(1,512,494)	9,754,304

(Notes) Classified by domicile of debtors.

## (3) Problem assets based on the Financial Reconstruction Law, classified by domicile

(Millions of yen, %)

	Mar. 31, 2010			Mar. 31, 2009
	(a)	Reserve ratio	(a) - (b)	(b)
Overseas offices and offshore banking accounts	141,929	59.7	(60,841)	202,770
Asia	6,289	64.8	(1,038)	7,327
North America	76,330	100.0	(99,676)	176,006
Central and South America	-	-	(884)	884
Western Europe	12,324	70.8	2,842	9,482
Eastern Europe	39,870	40.0	39,870	-
Others	7,113	73.1	(1,957)	9,070

(Notes) 1. Problem assets based on the Financial Reconstruction Law include loans, acceptances and guarantees, suspense payments, and other credit-type assets.

2. Reserve ratio

= (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to guarantees, collateral and others) X 100  
Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

3. Classified by domicile of debtors.

## 19. Deposits and Loans &lt;SMBC Non-consolidated&gt;

## (1) Deposits and loans outstanding

(Millions of yen, %)

	FY3/2010		FY3/2009
	(a)	(a) - (b)	(b)
Deposits (period-end balance)	70,457,266	957,269	69,499,997
Deposits (average balance)	68,439,416	1,799,590	66,639,826
Domestic units	59,829,387	2,082,337	57,747,050
Average yield	0.12	(0.09)	0.21
Loans (period-end balance)	56,619,058	(3,622,208)	60,241,266
Loans (average balance)	59,084,981	354,192	58,730,789
Domestic units	49,843,442	1,309,167	48,534,275
Average yield	1.74	(0.25)	1.99

(Note) Deposits do not include "negotiable certificates of deposit."

## (2) Deposits outstanding, classified by type of depositor

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Domestic deposits	67,559,060	1,334,671	66,224,389
Individual	35,637,984	748,775	34,889,209
Corporate	31,921,076	585,896	31,335,180

(Note) Figures are before adjustment on interoffice accounts in transit.

Excludes "negotiable certificates of deposit" and Japan offshore banking accounts.

## (Reference)

(Billions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Outstanding balance of investment trusts	2,931.4	689.9	2,241.5
Balance to individuals	2,620.7	580.3	2,040.4

(Note) Balance of investment trusts is recognized on a contract basis and measured according to each fund's net asset balance at the term-end.

(Billions of yen)

	FY3/2010		FY3/2009
	(a)	(a) - (b)	(b)
Sales of investment trusts to individuals	809.7	345.5	464.2
Sales of Pension-type insurance	381.8	56.3	325.5

## 20. Other Financial Data &lt;SMBC Non-consolidated&gt;

## (1) Debt Forgiveness

(Billions of yen)

	FY3/2010
Number of companies whose debts have been forgiven	2
Principal amount forgiven	3.8

(Note) Debt forgiveness associated with legal settlement is not included.

## (2) Outstanding Balance and the Amount Sold of Stocks in Other Securities

(Billions of yen)

	Mar. 31, 2010	Mar. 31, 2009
Balance sheet amount	2,533.3	2,249.8
Acquisition cost	2,161.8	2,266.3

(Billions of yen)

	FY3/2010
Amount sold	approx. (54.0)

## 21. Number of Directors and Employees &lt;SMBC Non-consolidated&gt;

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Directors and auditors <sup>*1</sup>	23	1	22
Executive officers <sup>*2</sup>	56	(5)	61
Employees <sup>*3</sup>	22,460	644	21,816

(\*1) Include those of SMFG.

(\*2) Who are not board members.

(\*3) Include overseas local staff but exclude executive officers, contract employees, and temporary staff.

Number of employees is reported on the basis of full-time workers.

## 22. Number of Offices &lt;SMBC Non-consolidated&gt;

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Domestic branches*	437	12	425
Domestic sub-branches and agents	165	5	160
Overseas branches	15	(5)	20
Overseas sub-branches	6	(1)	7
Overseas representative offices	13	(3)	16

(Reference)

Number of offices of SMBC Europe	4	-	4
Number of offices of SMBC (China)	8	8	-

(\*) Branches specialized in receiving money transfers, branches specialized in controlling ATMs in convenience stores, and branches specialized in international business operations are excluded.

## 23. Deferred Tax Assets

(1) Deferred Tax Assets on the Balance Sheet			(Billions of yen)			(Reference)
			Mar. 31, 2010	Change from Mar. 31, 2009	Mar. 31, 2009	Temporary differences Mar. 31, 2010
<SMBC Non-consolidated>						
(a) Total deferred tax assets	(b-c)	1	675.0	(85.5)	760.5	
(b) Subtotal of deferred tax assets		2	1,534.2	(241.8)	1,776.0	3,717.3
Reserve for possible loan losses		3	244.5	85.6	158.9	601.7
Write-off of loans		4	140.3	(0.7)	141.0	345.3
Taxable write-off of securities		5	521.6	(66.9)	588.5	1,283.8
Reserve for employee retirement benefits		6	55.1	7.1	48.0	135.7
Depreciation		7	10.4	3.1	7.3	25.7
Reserve for possible losses on investments		8	-	(0.8)	0.8	-
Net unrealized losses on other securities		9	32.0	(42.7)	74.7	78.7
Net deferred losses on hedges		10	26.5	12.5	14.0	65.1
Net operating loss carryforwards		11	429.7	(246.8)	676.5	998.7
Others		12	74.1	7.8	66.3	182.6
(c) Valuation allowance		13	859.2	(156.3)	1,015.5	
(d) Total deferred tax liabilities		14	218.4	126.2	92.2	537.6
Gain on securities contributed to employee retirement benefits trust		15	41.6	-	41.6	102.3
Net unrealized gains on other securities		16	154.3	128.2	26.1	379.9
Net deferred gains on hedges		17	-	-	-	-
Others		18	22.5	(2.0)	24.5	55.4
Net deferred tax assets (Balance sheet amount)	(a-d)	19	456.6	(211.7)	668.3	
Amount corresponding to the deferred tax assets shown in line 10	(*1)	20	26.5	12.5	14.0	65.1
Amount corresponding to the deferred tax liabilities shown in line 16	(*2)	21	(142.0)	(132.2)	(9.8)	(521.3)
Net deferred tax assets excluding the amount shown in line 20 and 21		22	572.1	(92.0)	664.1	1,459.6

Effective income tax rate	23	40.63%	-	40.63%
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## &lt;Consolidated&gt;

(e) Net deferred tax assets		24	702.1	(128.3)	830.4
(f) Tier I		25	6,032.3	1,697.2	4,335.1
Net deferred tax assets/Tier I	(e/f)	26	11.6%	(7.6%)	19.2%

(\*1) Companies may consider net deferred losses on hedges to be collectable, in case they assess the collectability of deferred tax assets on the basis of their future taxable income as stipulated in examples (4) proviso of the practical guidelines on assessing the collectability of deferred tax assets issued by the JICPA. ["Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ Guidance No.8)].

(\*2) Deferred tax assets are recognized on the balance sheet on a net basis after offsetting against deferred tax liabilities arising from net unrealized gains on other securities. But the collectability is assessed for the gross deferred tax assets, before offsetting against deferred tax liabilities.

(JICPA Auditing Committee Report No.70 "Auditing Treatment Regarding Application of Tax Effect Accounting to Valuation Differences on Other Securities and Losses on Impairment of Fixed Assets")

## (2) Reason for Recognition of Deferred Tax Assets

## (a) Recognition Criteria

Practical Guideline, examples (4) proviso

- (1) SMBC has significant tax loss carryforwards resulting from taking the measures described below in order to quickly strengthen its financial base, and are accordingly judged to be attributable to extraordinary factors. As a result, with regard to temporary differences which are considered to be reversible, SMBC recognized deferred tax assets within the limits of the estimated future taxable income for the period (approximately 5 years) pursuant to the practical guidelines on assessing the collectability of deferred tax assets issued by the JICPA ("Practical Guidelines") (\*1).
- (a) Disposal of Non-performing Loans
- SMBC established internal standards for write-offs and provisions based on self-assessment in accordance with the "Prompt Corrective Action" adopted in FY3/1999 pursuant to the law concerning the maintenance of sound management of financial institutions (June 1996). SMBC has been aggressively disposing of non-performing loans and bolstering provisions against the risk of asset deterioration under the severe business environment of a prolonged sluggish economy
- In addition, pursuant to the government's "Program for Financial Revival" of October 2002, SMBC accelerated the disposal of non-performing loans in order to reduce the problem asset ratio to half by the end of FY3/2005. As a result, SMBC achieved this target 6 months ahead of schedule, in the first half of FY3/2005.
- In these processes, the amount of taxable disposals of non-performing loans(\*2) increased and accumulated. Afterwards, despite of the increased amount of the taxable disposal due to the credit cost, the realized amount of taxable disposals also increased steadily.
- (b) Disposal of Unrealized Losses on Stocks
- SMBC has been accelerating its effort to reduce stockholdings in order to lower the risk of stock price fluctuations, and to comply, at an early date, with the regulation limiting stockholdings that was adopted in FY3/2002.
- During FY3/2003, SMBC sold stocks and reduced the balance by approximately 1.1 trillion yen, and also disposed in lump sum unrealized losses on stocks of approximately 1.2 trillion yen by writing off impaired stocks and using the gains on the March 2003 merger. Consequently, SMBC complied with the regulation limiting stockholdings at the end of FY3/2003, before the deadline.
- As a result, the outstanding balance of taxable write-offs of securities (\*2) increased temporarily (from approximately 0.1 trillion yen as of March 31, 1999 to approximately 1.5 trillion yen as of March 31, 2003). Afterwards, despite of the increased amount of the taxable disposal resulting from the reducing the balance of the stocks and securities, taxable write-offs of securities carried out in the past were realized through the sales of the securities stocks.
- (2) Consequently, tax loss carryforwards (\*2) amounted to approximately 1 trillion yen as of March 31, 2010. No material tax loss carryforwards have expired in the past.

(\*1) JICPA Auditing Committee Report No.66 "Auditing Treatment Regarding Judgment of Realizability of Deferred Tax Assets"

(\*2) Corresponds to "Temporary differences" in the table on the previous page.

## (b) Period for Future Taxable Income to be estimated

5 years

## (c) Accumulated Amount of Estimated Future Taxable Income before Adjustments for the Next 5 Years

		(Billions of yen)	
		Estimates of next 5 years	
	Banking profit (before provision for general reserve for possible loan losses)	1	3,804.0
A	Income before income taxes	2	1,438.5
B	Adjustments to taxable income (excluding reversal of temporary differences as of Mar. 31, 2010)	3	628.5
C	Taxable income before adjustments (A+B)	4	2,067.0
	Deferred tax assets corresponding to taxable income before adjustments	5	839.8

## [Basic Policy]

- (1) Estimate when the temporary differences will be reversed
- (2) Conservatively estimate the taxable income before adjustments for the next 5 years
  - (a) Rationally make earnings projection for the next five years, based on internal management plans.
  - (b) Reduce the earnings projection by reasonable amount, reflecting the uncertainty of the projection.
  - (c) Add the necessary adjustments if any.
- (3) Calculate and record the amount of "deferred tax assets" by multiplying effective tax rate and the taxable income before adjustments estimated above.

## (Reference) Income of final return (before deducting operating loss carryforwards) for the last 5 years

	(Billions of yen)				
	FY3/2006	FY3/2007	FY3/2008	FY3/2009	FY3/2010
Income of final return (before deducting operating loss carryforwards)	(652.4)	(67.0)	746.7	350.4	610.5

(Notes) 1. (Income of final return before deduction of operating loss carryforwards)

= (Taxable income before adjustments for each fiscal year) - (Temporary differences to be reversed for each fiscal year)

2. Since the final declaration for the corporate income tax is done by the end of June, the figures for FY3/2010 are estimated.

3. The figures above include amounts arising from "extraordinary factors" that are specified in the Practical Guideline.

Taxable income has been reported each year when these amounts are excluded.

## 24. Earnings Forecast for FY3/2011

Sumitomo Mitsui Financial Group, Inc.

&lt;Non-consolidated&gt;

(Billions of yen)

	FY3/2011 Forecast		FY3/2010
	1H FY3/2011		Result
Operating income	85.0	220.0	133.3
Operating profit	75.0	200.0	116.7
Ordinary profit	70.0	190.0	94.5
Net income	70.0	190.0	66.2

Dividend per share forecast

(Yen)

	FY3/2011 Forecast		FY3/2010
	Interim	Annual	Annual Result
Common stock	50	100	100
Type 4 preferred stock			67,500
Type 6 preferred stock	44,250	88,500	88,500

(Reference)

(Billions of yen)

Total dividend	73.6	147.2	131.6
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&lt;Consolidated&gt;

(Billions of yen)

	FY3/2011 Forecast		FY3/2010
	1H FY3/2011		Result
Ordinary income	1,700.0	3,400.0	3,166.5
Ordinary profit	330.0	690.0	558.8
Net income	160.0	340.0	271.6

(Reference)

Sumitomo Mitsui Banking Corporation

&lt;Non-consolidated&gt;

(Billions of yen)

	FY3/2011 Forecast		FY3/2010
	1H FY3/2011		Result
Gross banking profit	720.0	1,470.0	1,455.3
Expenses	(350.0)	(710.0)	(685.8)
Banking profit (before provision for general reserve for possible loan losses)	370.0	760.0	769.5
Ordinary profit	220.0	480.0	462.7
Net income	150.0	330.0	318.0
Total credit cost (*)	(110.0)	(220.0)	(254.7)

(\*) (Provision for general reserve for possible loan losses) + (Credit cost included in non-recurring losses)

+ (Recoveries of written-off claims included in Extraordinary gains)

## (Reference 1) Overview of Business Performance of FY3/2010 and Management Policy for FY3/2011

**Overview of Business Performance of FY3/2010: "Establishing the next foundation for future growth, while continuing to strengthen businesses consistent with our philosophy of 'Follow the Basics.'"**

We achieved a steady recovery by maintaining stringent control on expenses, credit costs, and risk-adjusted assets. Also, as the global framework for more stringent regulatory capital requirements becomes clear, we implemented such strategic initiatives as common equity offering aiming for establishing a resilient capital base, while reinforcing our business portfolio represented by making Nikko Cordial Securities as a wholly-owned subsidiary of SMBC, in order to build the platform which allows us to achieve sustainable growth under new regulatory and competitive environment.

**Managing "expenses," "credit costs," and "risk-adjusted assets"**

(SMBC non-consolidated)

<Expenses> Controlled OHR below 50%

<Total credit cost> Substantially decreased compared with FY3/09 and Nov. 09 forecast due mainly to detailed responses to our clients

(SMFG consolidated)

<Net income> Increased compared with FY3/09 and Nov. 09 forecast due mainly to increase in SMBC's Net income

**Realizing a solid financial base as a global player**

- Raised JPY 1.8 tn in total amount paid through common equity offering
- Repurchased hybrid securities (JPY 290 bn in total) / Converted convertible preferred stock into common equity

**Fortifying targeted growth business areas**

- Made Nikko Cordial Securities as a wholly-owned subsidiary of SMBC and started its business as a new securities and investment banking company (Oct. 09) etc.

<SMBC non-consolidated>	FY3/10	YOY change	Change from Nov. 09 forecast	(JPY bn)
Gross banking profit	1,455.3	(69.6)	+ 10.3	
Expenses	(685.8)	+ 15.7	+ 9.2	
<OHR>	47.1%	+ 1.1%	(1.0)%	
Banking profit <sup>1</sup>	769.5	(53.9)	+ 19.5	
Total credit cost	(254.7)	+ 295.4	+ 85.3	
Net income	318.0	+ 619.1	+ 118.0	
<SMFG consolidated>				
Net income	271.6	+ 645.0	+ 51.6	

<SMFG consolidated>	Mar. 31, 10	Mar. 31, 09	Change from
Capital ratio [preliminary]	15.02%	+ 3.55%	* Before provision for general reserve for possible loan losses
Tier I ratio [preliminary]	11.15%	+ 2.93%	

**Management Policy for FY3/2011:**

**"Transforming our business model to grow steadily under a new regulatory and competitive environment through a forward-looking approach" / "Emphasizing return on risks and costs, in order to improve asset quality and thoroughly control expenses and credit costs"**

In order to "secure a resilient capital base" and "reinforce our business portfolio to achieve sustainable growth," we will strengthen our profitability through allocating more capital and resources into targeted growth business areas including overseas business and securities business. We will also implement improvement of risk-return profile by rebalancing our asset portfolio towards assets with high growth potential from assets with low yields and control on credit costs, while meeting customers' financial needs.

**Securing a resilient capital base**⇒ Maintain over around 10% of consolidated Tier I ratio

- Steadily accumulating earnings based on our management plan
- Minimizing risks to our capital posed by volatility in our equity holdings
- Promoting initiatives toward NYSE listing

**Reinforcing business portfolio to achieve sustainable growth**⇒ Target around 10% of consolidated ROE in the medium term

<Fortify bottom-line profit by reviewing current business / Further increase productivity by improving business processes>

- Improving risk-return profile by rebalancing our asset portfolio towards assets with high growth potential from assets with low yields while meeting customers' financing needs / Controlling credit costs and expenses

<Pursue profitability by focusing on targeted growth business areas / Further enhance customer responsiveness by leveraging advisory functions>

Solution Providing for Corporations / Investment Banking, Trust Business

Meeting the financial needs of SME customers / Providing optimal solutions for clients' management issues

Wholesale / Retail Securities Business

Accelerate integration between banking and securities services businesses centered on Nikko Cordial  
→ Early establishment of wholesale securities business to generate profit / Continuously enhancing retail securities business

Financial Consulting for Individuals

Further expanding product/service lineup / Enhancing consultants' skills

Payment & Settlement Services, Consumer Finance

Steadily promoting credit card business strategy by making Cedyna as a consolidated subsidiary / Revising business model under the cascade strategy, merger of At-Loan by Promise (scheduled in Apr., 2011) / Promoting global CMS (Cash Management Service)

Focused Business Areas in Global Markets

Allocating resources into overseas business centered on Asia, diversifying and stabilizing funding / Continuously strengthening finance with expertise, expanding products-related business / Meeting customers' needs in a globally integrated manner / Promoting capital/business alliances with commercial banks in Asia

## (Reference 2) Exposure of Securitized Products

- Managerial accounting basis

## 1. Securitized Products

- (1) As of March 31, 2010, the Group held 0.1 billion yen for sub-prime related securitized products and 16.5 billion yen other than sub-prime related products after write-offs and provisions. Those figures exclude Government Sponsored Enterprises ("GSE") etc.
- (2) The amount of loss on securitized products for FY3/2010 was 0.2 billion yen for sub-prime related products and no amount of loss for other than sub-prime related products.

## (1) Sub-prime related products

&lt;Consolidated&gt;

(Billions of yen)

	March 31, 2010						March 31, 2009			Ratings of underlying assets etc.
	Balances (after provisions and write-offs)		Overseas	Net unrealized gains/losses (after write-offs)		Balances (after provisions and write-offs)		Net unrealized gains/losses (after write-offs)		
	Change from Mar. 2009	Change from Mar. 2009		Change from Mar. 2009	Change from Mar. 2009					
Investments to securitized products	0.1	(0.2)	0.1	(0.2)	0.0	0.0	0.3	0.3	-	Speculative ratings
Total	0.1	(0.2)	0.1	(0.2)	0.0	0.0	0.3	0.3	-	

## (2) Products other than sub-prime related (Excludes GSE etc.)

&lt;Consolidated&gt;

(Billions of yen)

	March 31, 2010						March 31, 2009			Ratings of underlying assets etc.
	Balances (after provisions and write-offs)		Overseas	Net unrealized gains/losses (after write-offs)		Balances (after provisions and write-offs)		Net unrealized gains/losses (after write-offs)		
	Change from Mar. 2009	Change from Mar. 2009		Change from Mar. 2009	Change from Mar. 2009					
Cards	-	(4.1)	-	(4.1)	-	0.4	4.1	4.1	(0.4)	
CLO	2.9	(2.2)	2.9	(2.2)	0.5	1.6	5.1	5.1	(1.1)	
Senior	2.8	(2.2)	2.8	(2.2)	(0.2)	0.9	5.0	5.0	(1.1)	AAA~AA
Equity	0.1	(0.0)	0.1	(0.0)	0.7	0.7	0.1	0.1	-	No ratings
CMBS	13.6	(7.2)	-	-	0.0	0.2	20.8	-	(0.2)	AAA~BBB
Investments to securitized products	16.5	(13.5)	2.9	(6.3)	0.5	2.2	30.0	9.2	(1.7)	
Warehousing Loans etc.	-	(6.6)	-	(6.6)	-	-	6.6	6.6	-	
Total	16.5	(20.1)	2.9	(12.9)	0.5	2.2	36.6	15.8	(1.7)	

(Notes)1. "Senior" means the upper tranche under senior-subordinate structure.

- Warehousing loans are loans made based on collateral consisting of securitized investment products held by a special-purpose company established for the purpose of securitization.
- Credit ratings are in principle indicated by the lower of S&P ratings and Moody's ratings.  
Notation of credit ratings is followed by the notation system of S&P.
- There is no amount of RMBS (excludes GSE etc.) and ABCP.
- Excludes GSE and SMBC's exposure to subordinated beneficiaries owned through the securitization of SMBC's loan receivables (see next page for details).



**(Reference 1)****Government Sponsored Enterprises ("GSE") etc.**

&lt;Consolidated&gt;

(Billions of yen)

	March 31, 2010						March 31, 2009			Ratings of underlying assets, etc.
	Balances	Change from Mar. 2009	Overseas	Change from Mar. 2009	Net unrealized gains/losses	Change from Mar. 2009	Balances	Overseas	Net unrealized gains/losses	
GSE etc.	35.9	(239.3)	35.9	(239.3)	0.2	(2.9)	275.2	275.2	3.1	AAA

(Notes) 1. GSE etc. includes GNMA, FNMA and FHLMC.

Besides RMBS, SMFG held bonds issued by GSEs (FNMA, FHLMC and Federal Home Loan Banks) of 142.1 billion yen.

2. Credit ratings are in principle indicated by the lower of S&amp;P ratings and Moody's ratings.

Notation of credit ratings is followed by the notation system of S&amp;P.

3. The amount of gains on sales related to GSE etc. in the FY3/2010 was 3.1 billion yen.

**(Reference 2)****Subordinated beneficiaries in securitization of SMBC's loans**

Most of the securitized assets are domestic residential mortgage loans with low default rates.

SMBC properly conducts self-assessment and has made the necessary write-offs and provisions for the subordinated beneficiaries.

(Billions of yen)

	March 31, 2010					March 31, 2009			
	Balances	Change from Mar. 2009	Overseas	Subprime-related	Reserve for possible loan losses	Balances	Overseas	Subprime-related	Reserve for possible loan losses
Receivables of residential mortgage loans	248.8	(2.0)	-	-	-	250.8	-	-	-
Receivables of loans to corporations	7.8	0.7	-	-	3.0	7.1	-	-	1.5
Total	256.6	(1.3)	-	-	3.0	257.9	-	-	1.5

(Notes) 1. No subsidiary other than SMBC has those subordinated beneficiaries mentioned above.

2. Reserves do not include general reserve for possible loan losses for normal borrowers.

**2. Transactions with Monoline Insurance Companies**

Monoline insurance companies guarantee payment on underlying or reference assets. Our recognition of profit or loss on the transactions with monoline insurance companies is basically affected by the credit conditions and prices of underlying or reference assets, and is also affected by the credit conditions of monoline insurance companies.

**(1) Credit derivatives (Credit Default Swap ["CDS"]) transactions with monoline insurance companies**In CDS<sup>\*1</sup> brokerage transactions, positions are covered through transactions with monoline insurance companies.As of March 31, 2010, the Group's exposure<sup>\*2</sup> to monoline insurance companies totaled approx. 49.0 billion yen.

Reference assets of these CDS transactions are rated investment grade or equivalent, and do not include subprime-related assets.

SMFG recorded loss on such transactions of 8.6 billion yen in the FY3/2010 mainly due to the deterioration of the credit conditions of some monoline insurance companies.

( \*1 Derivatives to hedge credit risks  
 \*2 Mark-to-market value claimable to monoline insurance companies for net loss of reference assets on the settlement )

&lt;Consolidated&gt;

(Billions of yen)

	March 31, 2010			March 31, 2009		March 31, 2010		March 31, 2009
	Net exposure	Change from Mar. 2009	Reserve for possible loan losses	Net exposure	Reserve for possible loan losses	Amount of reference assets	Change from Mar. 2009	Amount of reference assets
Exposure to CDS transactions with monoline insurance companies	48.5	(83.5)	13.6	132.0	5.0	503.1	(33.6)	536.7

## (2) Loans and investments guaranteed by monoline insurance companies etc.

Underlying assets are those of project finance and local government bonds rated investment grade or equivalent, and include no subprime-related assets. SMFG conducts self-assessment to these loans and investments properly.

&lt;Consolidated&gt;

(Billions of yen)

	March 31, 2010			March 31, 2009	
	Exposure	Change from Mar. 2009	Reserve for possible loan losses	Exposure	Reserve for possible loan losses
Loans and investments guaranteed or insured by monoline insurance companies	9.5	(2.8)	0.0	12.3	0.0

(Reference) In addition, we had approx. 0.7 billion yen in commitment contracts (fully-drawn) to insurance companies with monoline insurance as group members.

## 3. Leveraged loans

- (1) As of March 31, 2010, the Group's balance of financing for mergers and acquisitions of whole or part of companies was approx. 610 billion yen and undrawn commitments for them was approx. 120 billion yen.
- (2) In providing loans and commitment lines for mergers and acquisitions, we carefully scrutinize stability of cash flow of the borrowers, and, diversify the exposure especially for overseas portfolio in order to reduce concentration risk. At the same time, in credit risk management, we monitor each of such transactions individually, making loss provisions properly, thereby maintaining the quality of both domestic and overseas portfolios.

&lt;Consolidated&gt;

(Billions of yen)

	March 31, 2010					March 31, 2009		
	Loans	Change from Mar. 2009	Undrawn commitments	Change from Mar. 2009	Reserve for possible loan losses	Loans	Undrawn commitments	Reserve for possible loan losses
Europe	261.1	(44.9)	28.8	(5.4)	6.2	306.0	34.2	2.8
Japan	176.2	(3.7)	11.8	(17.4)	12.7	179.9	29.2	13.4
United States	113.2	(65.8)	73.5	3.5	12.2	179.0	70.0	4.1
Asia (excluding Japan)	59.6	(19.2)	9.4	5.5	2.3	78.8	3.9	2.3
Total	610.1	(133.6)	123.5	(13.8)	33.4	743.7	137.3	22.6

(Notes) 1. Above figures include the amount to be sold of approx. 10 billion yen.

In the FY3/2010, we sold leveraged loans of approx. 51 billion yen, and loss on the sale amounted to approx. 12 billion yen.

2. Above figures do not include leveraged loans which are included in underlying assets of "1. Securitized Products" shown on page 22.

3. Reserves do not include general reserve for possible loan losses against normal borrowers.

#### 4. Asset Backed Commercial Paper (ABCP) Programs as Sponsor

- (1) The Group sponsors issuance of ABCP, whose reference assets are such as clients' receivables, in order to fulfill clients' financing needs.  
Specifically, as a sponsor, we provide services to special purpose vehicles, which are set up for clients' financing needs, for purchase of claims, financing, issuance and sales of ABCPs. We also provide liquidity and credit supports for such special purpose vehicles.
- (2) As of March 31, 2010, the total notional amount of reference assets of sponsored ABCP programs was approx. 500 billion yen. Most of the reference assets are high-grade claims of corporate clients and do not include subprime loan related assets.  
In addition, regarding the exposure of liquidity and credit supports, we conduct self-assessment, making provisions and write-offs properly.

(Billions of yen)

Types of reference assets	March 31, 2010					March 31, 2009			Support for programs	
	Notional amount of reference assets	Change from Mar.2009	Overseas	Change from Mar. 2009	Reserve for possible loan losses	Notional amount of reference assets	Overseas	Reserve for possible loan losses	Liquidity support	Credit support
Claims on corporations	467.8	(192.1)	105.1	(107.2)	-	659.9	212.3	-	yes	yes
Claims on financial institutions	17.7	(2.0)	17.7	(2.0)	-	19.7	19.7	-	yes	yes
Retail loan claims	15.8	(12.6)	15.8	(12.6)	-	28.4	28.4	-	yes	yes
Other claims	-	(0.6)	-	(0.6)	-	0.6	0.6	-	yes	yes
<b>Total</b>	<b>501.3</b>	<b>(207.3)</b>	<b>138.6</b>	<b>(122.4)</b>	<b>-</b>	<b>708.6</b>	<b>261.0</b>	<b>-</b>		

(Note) Reserves do not include general reserve for possible loan losses against normal borrowers.

(Reference) In addition, we provide liquidity and credit supports for ABCP programs which are sponsored by other banks.

Total notional amount of reference assets of such programs are approx. 52 billion yen.

#### 5. Others

We have no securities issued by Structured Investment Vehicles.

**(Reference 3) Financial Statements of SMBC****1. Balance Sheet (Condensed) <SMBC Non-consolidated>**

(Millions of yen)

	March 31, 2010 (A)	March 31, 2009 (B)	Change (A-B)
<b>Assets</b>			
Cash and due from banks	5,271,989	5,295,009	(23,020)
Call loans	486,981	245,117	241,864
Receivables under resale agreements	45,594	48,113	(2,519)
Receivables under securities borrowing transactions	1,703,828	1,815,195	(111,367)
Bills bought	27,197	9,978	17,219
Monetary claims bought	435,027	396,183	38,844
Trading assets	3,670,091	3,885,704	(215,613)
Money held in trust	10,724	8,985	1,739
Securities	28,536,200	28,000,515	535,685
Loans and bills discounted	56,619,058	60,241,266	(3,622,208)
Foreign exchanges	743,446	748,149	(4,703)
Other assets	1,823,647	2,259,982	(436,335)
Tangible fixed assets	705,036	696,680	8,356
Intangible fixed assets	133,323	126,070	7,253
Deferred tax assets	456,556	668,343	(211,787)
Customers' liabilities for acceptances and guarantees	3,625,868	3,826,694	(200,826)
Reserve for possible loan losses	(758,178)	(791,885)	33,707
Reserve for possible losses on investments	-	(1,888)	1,888
<b>Total assets</b>	<b>103,536,394</b>	<b>107,478,218</b>	<b>(3,941,824)</b>
<b>Liabilities</b>			
Deposits	70,457,266	69,499,997	957,269
Negotiable certificates of deposit	7,173,373	7,405,710	(232,337)
Call money	1,554,374	2,479,743	(925,369)
Payables under repurchase agreements	492,311	773,534	(281,223)
Payables under securities lending transactions	3,407,301	7,561,013	(4,153,712)
Commercial paper	310,787	-	310,787
Trading liabilities	2,909,131	2,705,478	203,653
Borrowed money	2,747,767	4,663,553	(1,915,786)
Foreign exchanges	214,526	282,360	(67,834)
Short-term bonds	164,678	114,242	50,436
Bonds	3,245,992	3,319,693	(73,701)
Due to trust account	159,554	60,918	98,636
Other liabilities	1,600,879	2,163,237	(562,358)
Reserve for employee bonuses	10,207	10,720	(513)
Reserve for executive bonuses	426	-	426
Reserve for executive retirement benefits	5,147	4,992	155
Reserve for point service program	1,862	2,359	(497)
Reserve for reimbursement of deposits	10,634	10,873	(239)
Reserve under the special law	-	0	(0)
Deferred tax liabilities for land revaluation	46,352	46,599	(247)
Acceptances and guarantees	3,625,868	3,826,694	(200,826)
<b>Total liabilities</b>	<b>98,138,445</b>	<b>104,931,725</b>	<b>(6,793,280)</b>
<b>Net assets</b>			
Capital stock	1,770,996	664,986	1,106,010
Capital surplus	2,473,558	1,367,548	1,106,010
Capital reserve	1,771,043	665,033	1,106,010
Other capital surplus	702,514	702,514	-
Retained earnings	704,485	499,666	204,819
Other retained earnings	704,485	499,666	204,819
Reserve for losses on overseas investments	0	0	(0)
Voluntary reserve for retirement allowances	1,656	1,656	-
Voluntary reserve	219,845	219,845	-
Retained earnings brought forward	482,983	278,165	204,818
Total stockholders' equity	4,949,040	2,532,201	2,416,839
Net unrealized gains (losses) on other securities	379,353	(52,741)	432,094
Net deferred gains (losses) on hedges	48,020	45,359	2,661
Land revaluation excess	21,535	21,673	(138)
Total valuation and translation adjustments	448,909	14,291	434,618
<b>Total net assets</b>	<b>5,397,949</b>	<b>2,546,493</b>	<b>2,851,456</b>
<b>Total liabilities and net assets</b>	<b>103,536,394</b>	<b>107,478,218</b>	<b>(3,941,824)</b>

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

## 2. Income Statement (Condensed) &lt;SMBC Non-consolidated&gt;

(Millions of yen)

	FY3/2010 (A)	FY3/2009 (B)	Change (A-B)
Ordinary income	2,080,536	2,546,997	(466,461)
Interest income	1,380,280	1,758,423	(378,143)
<i>Interest on loans and discounts</i>	1,062,893	1,337,305	(274,412)
<i>Interest and dividends on securities</i>	229,411	293,992	(64,581)
Trust fees	1,736	2,074	(338)
Fees and commissions	412,960	415,228	(2,268)
Trading income	115,356	175,038	(59,682)
Other operating income	85,788	163,277	(77,489)
Other income	84,413	32,954	51,459
Ordinary expenses	1,617,786	2,510,941	(893,155)
Interest expenses	333,919	740,065	(406,146)
<i>Interest on deposits</i>	111,844	273,495	(161,651)
Fees and commissions payments	126,246	121,404	4,842
Trading losses	-	-	-
Other operating expenses	80,703	127,747	(47,044)
General and administrative expenses	735,181	722,285	12,896
Other expenses	341,735	799,438	(457,703)
Ordinary profit	462,749	36,055	426,694
Extraordinary gains	7,241	1,075	6,166
Extraordinary losses	15,240	9,344	5,896
Income before income taxes	454,750	27,786	426,964
Income taxes-current	44,997	23,748	21,249
Income taxes-deferred	91,757	305,154	(213,397)
Total income taxes	136,755	328,903	(192,148)
Net income (loss)	317,995	(301,116)	619,111

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

## 3. Statement of Changes in Net Assets &lt;SMBC Non-consolidated&gt;

Year ended March 31, 2010

(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, 2009	664,986	665,033	702,514	0	1,656	219,845	278,165	2,532,201
Changes in FY3/2010								
Issuance of new shares	1,106,010	1,106,010						2,212,020
Transfer from reserve for losses on overseas investments				(0)			0	-
Cash dividends							(113,314)	(113,314)
Net income							317,995	317,995
Transfer from land revaluation excess							137	137
Net changes in the items other than stockholders' equity in FY3/2010								
Net changes in the year	1,106,010	1,106,010		(0)			204,818	2,416,838
Balance at March 31, 2010	1,770,996	1,771,043	702,514	0	1,656	219,845	482,983	4,949,040

(Millions of yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gains on other securities	Net deferred gains (losses) on hedges	Land revaluation excess	Total valuation and translation adjustments	
Balance at March 31, 2009	(52,741)	45,359	21,673	14,291	2,546,493
Changes in FY3/2010					
Issuance of new shares					2,212,020
Transfer from reserve for losses on overseas investments					-
Cash dividends					(113,314)
Net income					317,995
Transfer from land revaluation excess					137
Net changes in the items other than stockholders' equity in FY3/2010	432,095	2,660	(137)	434,617	434,617
Net changes in the year	432,095	2,660	(137)	434,617	2,851,456
Balance at March 31, 2010	379,353	48,020	21,535	448,909	5,397,949

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

Year ended March 31, 2009

(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, 2008	664,986	665,033	702,514	0	1,656	219,845	673,337	2,927,374
Changes in FY3/2009								
Transfer from reserve for losses on overseas investments				(0)			0	-
Cash dividends							(93,941)	(93,941)
Net income (loss)							(301,116)	(301,116)
Transfer from land revaluation excess							(114)	(114)
Net changes in the items other than stockholders' equity in FY3/2009								
Net changes in the year	-	-	-	(0)	-	-	(395,172)	(395,172)
Balance at March 31, 2009	664,986	665,033	702,514	0	1,656	219,845	278,165	2,532,201

(Millions of yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gains on other securities	Net deferred gains (losses) on hedges	Land revaluation excess	Total valuation and translation adjustments	
Balance at March 31, 2008	558,103	(13,787)	21,558	565,874	3,493,249
Changes in FY3/2009					
Transfer from reserve for losses on overseas investments					-
Cash dividends					(93,941)
Net income (loss)					(301,116)
Transfer from land revaluation excess					(114)
Net changes in the items other than stockholders' equity in FY3/2009	(610,845)	59,147	114	(551,583)	(551,583)
Net changes in the year	(610,845)	59,147	114	(551,583)	(946,755)
Balance at March 31, 2009	(52,741)	45,359	21,673	14,291	2,546,493

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

## 4. Market Value Information on Securities &lt;SMBC Non-consolidated&gt;

## [1] Securities

In addition to "Securities" stated in the non-consolidated balance sheet, negotiable certificates of deposit classified as "Cash and due from banks" and beneficiary claims on loan trust classified as "Monetary claims bought" are included in the amounts below.

## (1) Bonds classified as held-to-maturity

(Millions of yen)

	Type	Mar. 31, 2010		
		Balance sheet amount	Fair value	Net unrealized gains (losses)
Bonds whose fair value is above the balance sheet amount	Japanese government bonds	2,551,114	2,600,336	49,221
	Japanese local government bonds	94,412	97,119	2,707
	Japanese corporate bonds	214,532	221,133	6,601
	Subtotal	2,860,058	2,918,588	58,530
Bonds whose fair value is below the balance sheet amount	Japanese government bonds	320,098	319,472	(626)
	Japanese local government bonds	-	-	-
	Japanese corporate bonds	-	-	-
	Subtotal	320,098	319,472	(626)
Total		3,180,157	3,238,060	57,903

## (2) Investments in subsidiaries and affiliates

(Millions of yen)

	Mar. 31, 2010		
	Balance sheet amount	Fair value	Net unrealized gains (losses)
Stocks of subsidiaries	61,913	56,459	(5,454)
Stocks of affiliates	48,135	40,118	(8,017)
Total	110,049	96,578	(13,471)

(Note) Stocks of subsidiaries and affiliates whose fair value is extremely difficult to obtain.

(Millions of yen)

	Balance sheet amount
Stocks of subsidiaries	1,916,225
Stocks of affiliates	113,339
Others	39,283
Total	2,068,848

These amounts are not included in "Investments of subsidiaries and affiliates" shown above since there are no market prices and it is extremely difficult to determine their fair values.

## (3) Other securities

(Millions of yen)

	Type	Balance sheet amount	Acquisition cost	Net unrealized gains (losses)
Securities whose balance sheet amount is above the acquisition cost	Stocks	1,540,810	1,022,677	518,132
	Bonds	13,073,015	12,949,951	123,064
	Japanese government bonds	10,445,963	10,386,251	59,712
	Japanese local government bonds	87,363	86,468	895
	Japanese corporate bonds	2,539,688	2,477,231	62,456
	Others	2,303,357	2,205,683	97,674
Subtotal		16,917,183	16,178,313	738,870
Securities whose balance sheet amount is below the acquisition cost	Stocks	770,518	917,191	(146,672)
	Bonds	3,156,305	3,163,224	(6,918)
	Japanese government bonds	2,768,488	2,770,265	(1,777)
	Japanese local government bonds	39,429	39,489	(59)
	Japanese corporate bonds	348,387	353,470	(5,082)
	Others	2,230,439	2,294,340	(63,901)
Subtotal		6,157,263	6,374,756	(217,493)
Total		23,074,447	22,553,069	521,377

(Note) 1. Net unrealized gains (losses) on other securities shown above include gains of 105 million yen that are recognized in the fiscal year's earnings by applying fair value hedge accounting.

2. Securities whose fair value is extremely difficult to determine.

(Millions of yen)

	Balance sheet amount
Stocks	222,015
Others	324,612
Total	546,627

These amounts are not included in "Other securities" shown above since there are no market prices and it is extremely difficult to determine their fair values.

3. "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, partially revised on March 10, 2008) became effective from the fiscal year ending on and after March 31, 2010. SMFG has applied them from FY3/2010.

Accordingly, this accounting change has the following impact on the non-consolidated financial statements as compared with the previous accounting method:

Monetary claims bought increased by 8,710 million yen, Bonds in Securities increased by 46,708 million yen, Stocks in Securities increased by 1,217 million yen, Net unrealized gains (losses) on other securities increased by 39,714 million yen, Other securities in Securities decreased by 604 million yen, Deferred tax assets related to Net unrealized gains (losses) on other securities decreased by 27,178 million yen, and Reserve for possible loan losses decreased by 29,909 million yen.



## (4) Write-down of securities

Other securities with fair value are considered as impaired if the fair value decreases materially below the acquisition cost, and such decline is not considered recoverable. The fair value is recognized as the balance sheet amount and the amount of write-down is accounted for as valuation loss for this period. Valuation loss for this period is 32,792 million yen. 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	Fair value is lower than acquisition cost.
Issuers requiring caution	Fair value is 30% or more lower than acquisition cost.
Normal issuers	Fair 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

## [2] Money held in trust

## (1) Money held in trust for trading purpose

	(Millions of yen)	
	March 31, 2010	
	Balance sheet amount	Net unrealized gains (losses)
Money held in trust for trading purpose	1,483	13

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

	(Millions of yen)				
	March 31, 2010				
	Balance sheet amount	Acquisition cost	Net unrealized gains (losses)	of which whose balance sheet amount is above the acquisition cost	of which whose balance sheet amount is below the acquisition cost
Other money held in trust	9,240	9,178	62	157	(95)

## 5. Statements of Trust Assets and Liabilities &lt;SMBC Non-consolidated&gt;

	(Millions of yen)		
	March 31, 2010 (A)	March 31, 2009 (B)	Change (A-B)
Loans and bills discounted	221,970	222,030	(60)
Securities	457,585	392,812	64,773
Securities held in custody accounts	3,070	3,096	(26)
Monetary claims	465,734	501,399	(35,665)
Tangible fixed assets	19	45	(26)
Intangible fixed assets	8	33	(25)
Other claims	2,918	4,329	(1,411)
Call loans	52,302	54,687	(2,385)
Due from banking account	159,554	60,918	98,636
Cash and due from banks	40,072	22,179	17,893
Others	-	1,462	(1,462)
<b>Total assets</b>	<b>1,403,236</b>	<b>1,262,993</b>	<b>140,243</b>
Designated money trusts	537,388	359,986	177,402
Specified money trusts	163,750	161,817	1,933
Money in trusts other than money trusts	220,008	220,287	(279)
Security trusts	3,082	3,102	(20)
Monetary claims trusts	458,273	437,734	20,539
Equipment trusts	51	10	41
Composite trusts	20,681	78,569	(57,888)
Other trusts	-	1,485	(1,485)
<b>Total liabilities</b>	<b>1,403,236</b>	<b>1,262,993</b>	<b>140,243</b>

(Notes) 1. Amounts less than 1 million yen are rounded down.

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

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

4. Balance of self-declaration of trust, which is not included in the table above, was 8,000 million yen on March 31, 2010 and "-" million yen on March 31, 2009.