

Sumitomo Mitsui Financial Group, Inc. (SMFG)

Consolidated Financial Results for the First Quarter ended June 30, 2007 (Unaudited)

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Stock Exchange Listings: Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange (code: 8316)

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President: Teisuke Kitayama

1. Financial Results (for the three months ended June 30, 2007)

Amounts less than one million yen have been omitted.

(1) Operating Results

(Millions of yen, except per share data and percentages)

	Ordinary Income		Ordinary Profit		Net Income	
Three months ended June 30, 2007	¥ 1,026,226	19.4%	¥ 195,012	48.1%	¥ 119,687	(0.3)%
Three months ended June 30, 2006	859,754	3.7	131,683	(40.7)	120,077	(36.1)
(Ref.) Fiscal year ended March 31, 2007	3,901,259	–	798,610	–	441,351	–

	Net Income Per Share	Net Income Per Share (Diluted)
Three months ended June 30, 2007	¥ 15,821.37	¥ 14,892.10
Three months ended June 30, 2006	16,187.99	13,322.27
(Ref.) Fiscal year ended March 31, 2007	57,085.83	51,494.17

Notes:

- Equity in earnings (losses) of affiliates
for the three months ended June 30, 2007: ¥5,232 million
for the three months ended June 30, 2006: ¥3,591 million (Ref.) for the fiscal year ended March 31, 2007: ¥ (104,170) million
- Average number of common stocks outstanding (consolidated)
for the three months ended June 30, 2007: 7,564,907 shares
for the three months ended June 30, 2006: 7,417,697 shares (Ref.) for the fiscal year ended March 31, 2007: 7,504,367 shares

(2) Financial Position

(Millions of yen, except per share data and percentages)

	Total Assets	Net Assets	Net Assets Ratio	Net Assets per Share
June 30, 2007	¥ 103,862,957	¥ 5,456,294	3.9%	¥ 481,794.43
June 30, 2006	103,111,967	5,123,093	3.9	371,063.62
(Ref.) March 31, 2007	100,858,309	5,331,279	3.9	469,228.59

Notes:

- Net assets, less stock acquisition rights and minority interests
as of June 30, 2007: ¥4,005,002 million as of June 30, 2006: ¥4,008,732 million (Ref.) as of March 31, 2007: ¥3,922,986 million
- Number of common stocks outstanding (consolidated)
as of June 30, 2007: 7,564,843 shares as of June 30, 2006: 7,417,675 shares (Ref.) as of March 31, 2007: 7,565,022 shares

2. Dividends on Common Stock

Dividend information is not reported because SMFG did not pay quarterly dividend in the fiscal years 2006 and 2007.

3. Other Information

- There was no material change in consolidated subsidiaries in the three months ended June 30, 2007.
- Simplified accounting method is not applied.
- There was a change in accounting methodology from the previous fiscal year. For more details, please refer to “3. Other” on page 2.

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 document: 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.

Sumitomo Mitsui Financial Group (SMFG) reports the financial results for the three months ended June 30, 2007.

1. Operating Results

Sumitomo Mitsui Banking Corporation (SMBC), a major subsidiary of SMFG, reduced its bond portfolio in the previous fiscal year. As a result, the Treasury Unit's bond-related gains increased ¥66.7 billion year on year. Accordingly, SMFG's consolidated gross profit increased ¥96.1 billion year on year to ¥481.3 billion.

General and administrative expenses increased ¥22.9 billion year on year to ¥240.0 billion, mainly because we actively allocated human resources to strategic businesses and expanded branch network to further seek customer convenience.

Credit cost increased ¥14.3 billion year on year to ¥54.0 billion. Equity in earnings of affiliates increased ¥1.6 billion year on year to ¥5.2 billion due to an improvement in business performance of equity-method affiliated companies.

As a result of the factors mentioned above, on a consolidated basis, SMFG recorded ordinary profit of ¥195.0 billion, a year-on-year increase of ¥63.3 billion, and net income of ¥119.7 billion, a year-on-year decrease of ¥0.4 billion.

<Consolidated>

(Billions of yen)

	Three months ended June 30, 2007	Change from the three months ended June 30, 2006	Year ended March 31, 2007 (reference)
Gross profit	481.3	+ 96.1	1,906.2
General and administrative expenses	(240.0)	(22.9)	(888.6)
Credit cost	(54.0)	(14.3)	(145.0)
Ordinary profit	195.0	+ 63.3	798.6
Net income	119.7	(0.4)	441.4

<SMBC, Non-consolidated>

Gross banking profit	329.0	+ 74.2	1,344.5
Expenses (excluding non-recurring losses)	(165.8)	(14.5)	(603.9)
Banking profit (*)	163.2	+ 59.7	740.6
Credit cost	(39.1)	(8.8)	(89.5)
Ordinary profit	109.3	+ 35.9	573.3
Net income	73.8	(2.6)	315.7

(*) Banking profit (before provision for general reserve for possible loan losses)

2. Financial Position

On a consolidated basis, SMFG's total assets as of June 30, 2007 increased ¥3,004.6 billion to ¥103,863.0 billion, compared with March 31, 2007. Net assets amounted to ¥5,456.3 billion, a year-on-year increase of ¥125.0 billion, as a result of recording net income, partially offset by cash dividends.

Deposits increased ¥2,617.3 billion to ¥74,773.6 billion from March 31, 2007. Loans and bills discounted also increased ¥358.1 billion to ¥59,047.5 billion. On a non-consolidated basis, SMBC increased the balance of loans and bills discounted to ¥53,943.0 billion, an increase of ¥186.6 billion from March 31, 2007, mainly due to an increase in overseas lending.

On a consolidated basis, problem assets (non-performing loans as defined under the Financial Reconstruction Law) increased ¥24.5 billion to ¥1,109.1 billion from March 31, 2007. Problem asset ratio remains unchanged at 1.7%.

3. Other

Change in accounting policy from the previous fiscal year is as follows:

In accordance with the revision of Corporation Tax Law, tangible fixed assets acquired on and after April 1, 2007 are depreciated under the depreciation method stipulated in the revised Corporation Tax Law. This accounting change had no material impact on the consolidated statement of income.

4. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Millions of yen)

	June 30, 2007 (A)	March 31, 2007 (B)	Change (A) - (B)	June 30, 2006
Assets:				
Cash and due from banks	6,097,613	4,036,856	2,060,757	4,086,055
Call loans and bills bought	720,072	1,107,078	(387,006)	721,582
Receivables under resale agreements	169,415	76,551	92,864	171,220
Receivables under securities borrowing transactions	2,098,192	2,276,894	(178,702)	1,682,269
Commercial paper and other debt purchased	996,212	963,916	32,296	838,517
Trading assets	3,900,672	3,277,885	622,787	4,137,551
Money held in trust	3,011	2,924	87	2,796
Securities	20,027,369	20,537,500	(510,131)	22,803,762
Loans and bills discounted	59,047,467	58,689,322	358,145	58,544,893
Foreign exchanges	948,435	881,436	66,999	1,067,585
Other assets	3,837,820	3,349,949	487,871	3,251,411
Tangible fixed assets	814,822	817,567	(2,745)	704,356
Intangible fixed assets	227,969	234,896	(6,927)	197,450
Lease assets	997,158	1,001,346	(4,188)	992,175
Deferred tax assets	832,993	887,224	(54,231)	1,206,376
Customers' liabilities for acceptances and guarantees	4,049,305	3,606,050	443,255	3,736,342
Reserve for possible loan losses	(905,575)	(889,093)	(16,482)	(1,032,381)
Total assets	103,862,957	100,858,309	3,004,648	103,111,967
Liabilities:				
Deposits	74,773,551	72,156,224	2,617,327	72,053,800
Negotiable certificates of deposit	2,384,045	2,589,217	(205,172)	3,277,646
Call money and bills sold	1,482,417	2,286,698	(804,281)	2,875,419
Payables under repurchase agreements	96,751	140,654	(43,903)	593,533
Payables under securities lending transactions	1,761,891	1,516,342	245,549	2,340,561
Trading liabilities	2,466,381	1,942,973	523,408	2,960,197
Borrowed money	2,881,079	3,214,137	(333,058)	2,168,423
Foreign exchanges	398,378	323,890	74,488	491,036
Short-term bonds	476,000	439,600	36,400	364,200
Bonds	4,150,312	4,093,525	56,787	4,198,982
Due to trust account	103,451	65,062	38,389	300,998
Other liabilities	3,232,335	2,981,714	250,621	2,483,618
Reserve for employee bonuses	7,957	27,513	(19,556)	7,181
Reserve for employee retirement benefits	34,608	34,424	184	36,595
Reserve for executive retirement benefits	6,676	7,371	(695)	—
Other reserves	1,137	1,137	(0)	1,136
Deferred tax liabilities	50,954	50,953	1	49,268
Deferred tax liabilities for land revaluation	49,426	49,536	(110)	49,929
Acceptances and guarantees	4,049,305	3,606,050	443,255	3,736,341
Total liabilities	98,406,662	95,527,029	2,879,633	97,988,874
Net assets:				
Capital stock	1,420,877	1,420,877	—	1,420,877
Capital surplus	57,751	57,773	(22)	953,317
Retained earnings	1,440,358	1,386,436	53,922	1,064,428
Treasury stock	(123,660)	(123,454)	(206)	(4,658)
Total stockholders' equity	2,795,326	2,741,632	53,694	3,433,965
Net unrealized gains on other securities	1,298,654	1,262,135	36,519	678,820
Gains on deferred hedge	(90,077)	(87,729)	(2,348)	(102,673)
Land revaluation excess	37,457	37,605	(148)	37,933
Foreign currency translation adjustments	(36,358)	(30,656)	(5,702)	(39,313)
Total valuation and translation adjustments	1,209,675	1,181,353	28,322	574,767
Stock acquisition rights	19	14	5	—
Minority interests	1,451,273	1,408,279	42,994	1,114,361
Total net assets	5,456,294	5,331,279	125,015	5,123,093
Total liabilities and net assets	103,862,957	100,858,309	3,004,648	103,111,967

(Note) Amounts less than one million yen have been omitted.

(2) Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2007 (A)	Three months ended June 30, 2006 (B)	Change (A) - (B)	Year ended March 31, 2007 (Condensed)
Ordinary income	1,026,226	859,754	166,472	3,901,259
Interest income	530,245	427,936	102,309	1,979,069
Interest on loans and discounts	379,331	313,341	65,990	1,375,851
Interest and dividends on securities	80,817	69,430	11,387	369,770
Trust fees	761	703	58	3,508
Fees and commissions	166,852	158,188	8,664	705,998
Trading profits	7,136	54,444	(47,308)	127,561
Other operating income	304,870	207,288	97,582	1,003,632
Other income	16,359	11,192	5,167	81,489
Ordinary expenses	831,213	728,070	103,143	3,102,649
Interest expenses	235,796	152,623	83,173	810,476
Interest on deposits	140,470	84,295	56,175	457,078
Fees and commissions	25,464	26,216	(752)	96,812
Trading losses	53,133	2,265	50,868	1,936
Other operating expenses	214,211	282,297	(68,086)	1,004,370
General and administrative expenses	239,989	217,129	22,860	888,561
Other expenses	62,617	47,537	15,080	300,491
Ordinary profit	195,012	131,683	63,329	798,610
Extraordinary gains	678	36,665	(35,987)	46,527
Extraordinary losses	1,488	2,199	(711)	38,347
Income before income taxes and minority interests	194,202	166,150	28,052	806,790
Income taxes, Current	22,124	20,673	1,451	87,818
Income taxes, Deferred	32,636	10,612	22,024	218,770
Minority interests in net income	19,755	14,786	4,969	58,850
Net income	119,687	120,077	(390)	441,351

(Note) Amounts less than one million yen have been omitted.

(3) Consolidated Statement of Net Assets

(Millions of yen)

	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at March 31, 2007	1,420,877	57,773	1,386,436	(123,454)	2,741,632
Change in the three months					
Cash dividends			(65,911)		(65,911)
Net income			119,687		119,687
Repurchase of own shares				(279)	(279)
Disposal of treasury shares		(21)		73	51
Increase due to increase of subsidiaries			1		1
Increase due to decrease of subsidiaries			1		1
Decrease due to increase of subsidiaries			(2)		(2)
Decrease due to decrease of subsidiaries			(2)		(2)
Transfer from land revaluation excess			147		147
Net change in the items other than stockholder's equity in the three months					
Total	—	(21)	53,921	(205)	53,694
Balance at June 30, 2007	1,420,877	57,751	1,440,358	(123,660)	2,795,326

(Millions of yen)

	Valuation and translation adjustments					Stock acquisition rights	Minority interests	Total net assets
	Net unrealized gains on other securities	Gains on deferred hedge	Land revaluation excess	Foreign currency translation adjustments	Total valuation and translation adjustments			
Balance at March 31, 2007	1,262,135	(87,729)	37,605	(30,656)	1,181,353	14	1,408,279	5,331,279
Change in the three months								
Cash dividends								(65,911)
Net income								119,687
Repurchase of own shares								(279)
Disposal of treasury shares								51
Increase due to increase of subsidiaries								1
Increase due to decrease of subsidiaries								1
Decrease due to increase of subsidiaries								(2)
Decrease due to decrease of subsidiaries								(2)
Transfer from land revaluation excess								147
Net change in the items other than stockholder's equity in the three months	36,519	(2,348)	(147)	(5,701)	28,321	4	42,994	71,320
Total	36,519	(2,348)	(147)	(5,701)	28,321	4	42,994	125,015
Balance at June 30, 2007	1,298,654	(90,077)	37,457	(36,358)	1,209,675	19	1,451,273	5,456,294

(Note) Amounts less than one million yen have been omitted.

(4) Segment Information

Business segment information

(Millions of yen)

	Three months ended June 30, 2007 (A)	Three months ended June 30, 2006 (B)	Change (A) - (B)	Year ended March 31, 2007
Ordinary profit				
Banking Business	146,605	92,647	53,958	748,907
Leasing business	9,368	9,878	(510)	44,847
Other business	48,764	38,874	9,890	39,640
Subtotal	204,739	141,400	63,339	833,394
Elimination and unallocated corporate assets	(9,726)	(9,716)	(10)	(34,784)
Consolidated	195,012	131,683	63,329	798,610

(Notes)

1. Amounts less than one million yen have been omitted.
2. "Other" includes securities, credit card, investment banking, loans, venture capital, system development and data processing business.

First Quarter Financial Results for the Three Months ended June 30, 2007 - Supplementary Information -

<Table of Contents>

1. Operating Results [SMFG]	<Consolidated>	...	1
2. Operating Results [SMBC]	<Non-consolidated>	...	2
3. Capital Ratio	<Consolidated>	...	3
4. Problem Assets Based on the Financial Reconstruction Law	<Consolidated> <Non-consolidated>	...	3
5. Unrealized Gains (Losses) on Securities	<Consolidated> <Non-consolidated>	...	4
6. Overview of Derivative Transactions (on Deferred Hedge Accounting Basis)	<Non-consolidated>	...	5
7. Deposits and Loans	<Non-consolidated>	...	5
8. Interest Spread (Domestic)	<Non-consolidated>	...	5
9. Return on Equity	<Consolidated>	...	5

<Consolidated> ... SMFG's consolidated figures

<Non-consolidated> ... SMBC's non-consolidated figures

Sumitomo Mitsui Financial Group, Inc.
Sumitomo Mitsui Banking Corporation

1. Operating Results <Consolidated>(Millions of yen)
<Reference>

		Three months ended June 30, 2007 (A)	Change (A) - (B)	Three months ended June 30, 2006 (B)	Year ended Mar.31, 2007
Consolidated gross profit	1	481,260	96,102	385,158	1,906,173
Net interest income	2	294,448	19,136	275,312	1,168,592
Trust fees	3	761	58	703	3,508
Net fees and commissions	4	141,387	9,415	131,972	609,185
Net trading income	5	(45,996)	(98,175)	52,179	125,625
Net other operating income	6	90,659	165,668	(75,009)	(738)
General and administrative expenses	7	(239,989)	(22,860)	(217,129)	(888,561)
Total credit costs	8	(54,188)	(14,273)	(39,915)	(146,186)
Write-off of loans	9	(10,320)	11,367	(21,687)	(81,415)
Provision for specific reserve for possible loan losses	10	(43,949)	(21,419)	(22,530)	(77,446)
Provision for general reserve for possible loan losses	11	698	(5,254)	5,952	53,370
Other credit cost	12	(616)	1,034	(1,650)	(40,695)
Gains (losses) on stocks	13	6,086	2,087	3,999	44,730
Equity in earnings (losses) of affiliates	14	5,232	1,641	3,591	(104,170)
Other income (expenses)	15	(3,388)	632	(4,020)	(13,374)
Ordinary profit	16	195,012	63,329	131,683	798,610
Extraordinary gains (losses)	17	(810)	(35,276)	34,466	8,180
Losses on impairment of fixed assets	18	(853)	546	(1,399)	(30,548)
Gains on collection of written-off claims	19	143	(54)	197	1,236
Gains on return of securities from employee retirement benefits trust	20	—	(36,330)	36,330	36,330
Income before income taxes and minority interests	21	194,202	28,052	166,150	806,790
Income taxes, current	22	(22,124)	(1,451)	(20,673)	(87,818)
Income taxes, deferred	23	(32,636)	(22,024)	(10,612)	(218,770)
Minority interests in net income	24	(19,755)	(4,969)	(14,786)	(58,850)
Net income	25	119,687	(390)	120,077	441,351

(Notes)

- Amounts less than one million yen have been omitted. Figures in parenthesis indicate the amount of loss or decrease.
- Consolidated gross profit = (Interest income - interest expenses) + Trust fees + (Fees and commissions (income) - Fees and commissions (expenses)) + (Trading profits - Trading losses) + (Other income - Other expenses)

Total credit cost (8)+(19)	26	(54,044)	(14,327)	(39,717)	(144,950)
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<Reference>

(Billions of yen)

Consolidated net business profit	27	222.8	61.7	161.1	924.2
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(Note) Consolidated net business profit = (SMBC 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 transaction (dividends, etc.))

(Number of consolidated subsidiaries and affiliates)

<Reference>

		June 30, 2007	Change	Mar. 31, 2007	June 30, 2006
Consolidated subsidiaries	28	179	(2)	181	162
Affiliates accounted for by the equity method	29	63	1	62	63

2. Operating Results <SMBC, Nonconsolidated>(Millions of yen)
<Reference>

		Three months ended June 30, 2007 (A)	Change (A) - (B)	Three months ended June 30, 2006 (B)	Year ended Mar.31, 2007
Gross banking profit	1	329,004	74,176	254,828	1,344,490
<i>Excluding gains (losses) on bonds</i>	2	332,661	7,466	325,195	1,456,903
Net interest income	3	234,583	11,869	222,714	937,452
Trust fees	4	758	58	700	3,482
Net fees and commissions	5	72,427	3,398	69,029	353,416
Net trading income	6	(53,827)	(99,506)	45,679	101,620
Net other operating income	7	75,062	158,356	(83,294)	(51,482)
<i>Gains (losses) on bonds</i>	8	(3,657)	66,709	(70,366)	(112,413)
Expenses (excluding non-recurring losses)	9	(165,831)	(14,504)	(151,327)	(603,888)
Personnel expenses	10	(57,453)	(5,557)	(51,896)	(190,630)
Non-personnel expenses	11	(98,711)	(6,275)	(92,436)	(378,240)
Taxes	12	(9,666)	(2,672)	(6,994)	(35,017)
Banking profit (before provision for general reserve for possible loan losses)	13	163,172	59,671	103,501	740,601
<i>Excluding gains (losses) on bonds</i>	14	166,829	(7,039)	173,868	853,015
Provision for general reserve for possible loan losses	15	3,702	(459)	4,161	41,728
Banking profit	16	166,875	59,212	107,663	782,330
Non-recurring gains (losses)	17	(57,558)	(23,279)	(34,279)	(209,017)
Credit related costs	18	(42,807)	(8,286)	(34,521)	(131,676)
Gains (losses) on stocks	19	3,465	469	2,996	11,098
Gains on sale of stocks	20	5,437	1,351	4,086	50,204
Losses on sale of stocks	21	(26)	22	(48)	(546)
Losses on devaluation of stocks	22	(1,946)	(905)	(1,041)	(38,559)
Other non-recurring gains (losses)	23	(18,216)	(15,462)	(2,754)	(88,439)
Ordinary profit	24	109,317	35,933	73,384	573,313
Extraordinary gains (losses)	25	(753)	(35,457)	34,704	13,615
Gains (losses) on disposal of fixed assets	26	92	563	(471)	(1,680)
Losses on impairment of fixed assets	27	(850)	323	(1,173)	(3,680)
Gains on collection of written-off claims	28	3	(16)	19	455
Gains on return of securities from employee retirement benefits trust	29	—	(36,330)	36,330	36,330
Losses on liquidation of subsidiary	30	—	—	—	(17,809)
Income before income taxes	31	108,563	475	108,088	586,928
Income taxes, current	32	(2,263)	912	(3,175)	(16,507)
Income taxes, deferred	33	(32,450)	(3,941)	(28,509)	(254,680)
Net income	34	73,849	(2,554)	76,403	315,740
Total credit cost (15)+(18)+(28)	35	(39,100)	(8,760)	(30,340)	(89,491)
Provision for general reserve for possible loan losses	36	3,702	(459)	4,161	41,728
Write-off of loans	37	(11,490)	3,832	(15,322)	(50,468)
Provision for specific reserve for possible loan losses	38	(30,731)	(13,178)	(17,553)	(44,358)
Losses on sale of delinquent loans	39	(563)	1,194	(1,757)	(37,262)
Provision for loan loss reserve for specific overseas countries	40	(22)	(133)	111	412
Gains on collection of written-off claims	41	3	(16)	19	455

(Note) Amounts less than one million yen have been omitted. Figures in parenthesis indicate the amount of loss or decrease.

3. Capital Ratio

(Billions of yen)

<Consolidated>

<Reference>

	March 31, 2007	June 30, 2006
(1) Capital ratio	11.31%	11.57%
Tier I ratio	6.44%	6.71%
(2) Tier I capital	3,903.3	4,497.1
(3) Tier II capital included as qualifying capital	3,640.2	3,926.4
(4) Subtraction items	690.8	669.7
(5) Total capital (2)+(3)-(4)	6,852.7	7,753.8
(6) Risk-adjusted assets	60,540.3	66,981.1
(7) Required capital (6) X 8%	4,843.2	

(Notes)

1. Capital ratio as of March 31, 2007 is calculated under Basel II. Capital ratio as of June 30, 2006 was calculated under the former method.
2. Capital ratio as of June 30, 2007 will be announced later.

4. Problem Assets Based on the Financial Reconstruction Law

(Billions of yen)

<Consolidated>

<Reference>

		June 30, 2007	Change from Mar.31, 2007	March 31, 2007	June 30, 2006
Bankrupt and quasi-bankrupt assets	1	187.3	(6.5)	193.8	238.8
Doubtful assets	2	429.7	44.9	384.8	582.5
Substandard loans	3	492.1	(13.9)	506.0	463.9
Total (A)	4	1,109.1	24.5	1,084.6	1,285.2
Normal assets	5	65,724.9	909.3	64,815.6	62,390.2
Total (B)	6	66,834.0	933.8	65,900.2	63,675.4
Problem asset ratio (A/B)	7	1.7%	0.1%	1.6%	2.0%
Amount of direct reduction		486.8	(3.3)	490.1	828.9

(Billions of yen)

<SMBC Non-consolidated>

<Reference>

		June 30, 2007	Change from Mar.31, 2007	March 31, 2007	June 30, 2006
Bankrupt and quasi-bankrupt assets	8	107.8	(1.1)	108.9	155.2
Doubtful assets	9	339.0	38.9	300.1	489.2
Substandard loans	10	335.0	5.3	329.7	306.9
Total (A)	11	781.8	43.1	738.7	951.3
Normal assets	12	61,275.8	733.6	60,542.2	57,473.1
Total (B)	13	62,057.6	776.7	61,280.9	58,424.4
Problem asset ratio (A/B)	14	1.3%	0.1%	1.2%	1.6%
Amount of direct reduction		295.7	(2.6)	298.3	625.9

(Note)

Problem Assets Based on the Financial Reconstruction Law include loans, acceptances and guarantees, suspense payments, and other credit-type assets.

Privately-placed bonds guaranteed by SMBC has newly been included in Problem Assets since March 31, 2007, because of the amendment of Ordinance for Enforcement of The Law concerning Emergency Measures the Revitalization of the Financial Functions.

5. Unrealized Gains (Losses) on Securities

<Consolidated>

<Reference>

(Billions of yen)

		June 30, 2007					March 31, 2007			
		Balance sheet amount	Net unrealized gains (losses)	Change from Mar.2007	Gains	Losses	Balance sheet amount	Net unrealized gains (losses)	Gains	Losses
Held-to-maturity securities	1	1,111.0	(25.9)	(12.8)	0.0	(25.9)	1,117.9	(13.1)	0.2	(13.3)
Other securities	2	18,846.5	1,884.9	59.7	2,147.6	(262.7)	19,335.4	1,825.2	2,032.1	(206.9)
Stocks	3	4,440.8	2,089.6	117.0	2,105.3	(15.7)	4,328.5	1,972.6	1,987.3	(14.7)
Bonds	4	10,602.9	(193.1)	(35.8)	0.5	(193.6)	11,170.7	(157.3)	1.8	(159.1)
Others	5	3,802.8	(11.6)	(21.5)	41.8	(53.4)	3,836.2	9.9	43.0	(33.1)
Other money held in trust	6	3.0	0.4	0.1	0.4	—	2.9	0.3	0.3	—
Total	7	19,960.5	1,859.4	47.0	2,148.0	(288.6)	20,456.2	1,812.4	2,032.6	(220.2)
Stocks	8	4,440.8	2,089.6	117.0	2,105.3	(15.7)	4,328.5	1,972.6	1,987.3	(14.7)
Bonds	9	11,710.0	(219.0)	(48.4)	0.5	(219.5)	12,277.7	(170.6)	1.8	(172.4)
Others	10	3,809.7	(11.2)	(21.6)	42.2	(53.4)	3,850.0	10.4	43.5	(33.1)

(Notes)

- The figures above include unrealized gains (losses) on negotiable certificates of deposit bought in "Deposits with banks" and beneficiary claims on loan trust in "Commercial paper and other debt purchased."
- Unrealized gains (losses) on stocks are mainly calculated with the average market prices during the final month of the corresponding period. Rest of the securities is valued at the market prices as of the balance sheet date.
- Other securities and Other money held in trust are valued and recorded on the balance sheet at market prices. Net unrealized gains (losses) in the table above indicate the difference between the acquisition cost (or amortized costs) and the balance sheet amounts.

<SMBC Non-consolidated>

<Reference>

(Billions of yen)

		June 30, 2007					March 31, 2007			
		Balance sheet amount	Net unrealized gains (losses)	Change from Mar.2007	Gains	Losses	Balance sheet amount	Net unrealized gains (losses)	Gains	Losses
Held-to-maturity securities	11	1,108.5	(25.9)	(12.8)	0.0	(25.9)	1,112.1	(13.1)	0.2	(13.3)
Stocks of subsidiaries and affiliates	12	1,524.6	(32.4)	(40.4)	64.9	(97.3)	1,493.6	8.0	85.5	(77.5)
Other securities	13	17,169.2	1,901.5	68.6	2,149.2	(247.7)	17,795.6	1,832.9	2,028.7	(195.8)
Stocks	14	4,376.7	2,096.9	118.2	2,110.2	(13.3)	4,262.1	1,978.7	1,990.4	(11.7)
Bonds	15	9,501.2	(182.4)	(31.0)	0.3	(182.7)	10,173.2	(151.4)	0.8	(152.2)
Others	16	3,291.3	(13.0)	(18.6)	38.7	(51.7)	3,360.3	5.6	37.5	(31.9)
Other money held in trust	17	3.0	0.4	0.1	0.4	—	2.9	0.3	0.3	—
Total	18	19,805.3	1,843.6	15.5	2,214.5	(370.9)	20,404.2	1,828.1	2,114.7	(286.6)
Stocks	19	4,959.6	2,064.5	77.8	2,175.1	(110.6)	4,830.2	1,986.7	2,075.9	(89.2)
Bonds	20	10,608.1	(208.3)	(43.6)	0.3	(208.6)	11,280.0	(164.7)	0.8	(165.5)
Others	21	4,237.6	(12.6)	(18.7)	39.1	(51.7)	4,294.0	6.1	38.0	(31.9)

(Notes)

- The figures above include unrealized gains (losses) on negotiable certificates of deposit bought in "Deposits with banks" and beneficiary claims on commodity investment trust and loan trust in "Commercial paper and other debt purchased."
- Unrealized gains (losses) on stocks (excluding stocks of subsidiaries and affiliates) are calculated with the average market prices during the final month of the corresponding period. Rest of the securities is valued at the market prices as of the balance sheet date.
- Other securities and Other money held in trust are valued and recorded on the balance sheet at market prices. Net unrealized gains (losses) in the table above indicate the difference between the acquisition cost (or amortized costs) and the balance sheet amounts.

6. Overview of Derivative Transactions (on Deferred Hedge Accounting Basis)

<SMBC Non-consolidated>

<Reference>

(Billions of yen)

	June 30, 2007				March 31, 2007			
	Assets	Liabilities	Net assets	Net deferred gains(losses)	Assets	Liabilities	Net assets	Net deferred gains(losses)
Interest rate swaps	38.8	88.1	(49.3)	(145.8)	49.6	78.1	(28.5)	(143.1)
Currency swaps	6.6	9.8	(3.2)	1.3	7.1	6.4	0.7	0.6
Others	0.3	1.2	(0.9)	(22.8)	0.4	0.5	(0.1)	(2.0)
Total	45.7	99.1	(53.4)	(167.3)	57.1	85.0	(27.9)	(144.5)

(Notes)

- Derivative transactions are valued at fair value in the balance sheet.
- SMBC applies individual 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.
- Net deferred gains (losses) show the amounts before applying tax effect accounting.

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

<Reference>

(Billions of yen)

	June 30, 2007				March 31, 2007			
	1 year or less	1-5 years	Over 5 years	Total	1 year or less	1-5 years	Over 5 years	Total
Receivable fixed rate /payable floating rate	6,121.3	11,507.0	3,960.0	21,588.3	7,118.7	11,868.4	4,429.8	23,416.9
Receivable floating rate /payable fixed rate	757.0	5,272.4	5,163.6	11,193.0	1,103.2	5,191.6	5,218.6	11,513.4
Receivable floating rate /payable floating rate	—	30.8	20.0	50.8	200.0	30.5	20.3	250.8
Total contract amount	6,878.3	16,810.2	9,143.6	32,832.1	8,421.9	17,090.5	9,668.7	35,181.1

7. Deposits and Loans

(Billions of yen)

<SMBC Non-consolidated>

<Reference>

	June 30, 2007	Change from Mar. 2007	March 31, 2007	June 30, 2006
Domestic deposits	63,410.9	730.1	62,680.8	62,638.6
Individual	34,142.1	518.4	33,623.7	33,227.8

(Note) Calculation based on the numbers before elimination of temporary inter-office accounts, excluding "negotiable certificates of deposit" and offshore banking accounts.

Loans and bills discounted	53,943.0	186.6	53,756.4	52,935.2
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8. Interest Spread (Domestic) <SMBC Non-consolidated>

(%)

	Three months ended June 30, 2007	Year ended <Reference>		
		March 31, 2007	1 st Half FY2006	2 nd Half FY2006
Interest earned on loans and bills discounted (A)	1.96	1.73	1.65	1.81
Interest paid on deposits, etc. (B)	0.22	0.10	0.06	0.15
Interest spread (A) - (B)	1.74	1.63	1.59	1.66

9. Return on Equity

<Consolidated>

<Reference>

	Three months ended June 30, 2007	Change	Three months ended June 30, 2006	Year ended March 31, 2007
Fully-diluted ROE	12.1%	0.7%	11.4%	10.5%

(Note)

(Net income) X (number of days in a year) / (number of days in the relevant period)

$$\text{Fully-diluted ROE} = \frac{\text{(Net assets at beginning of period)} - \text{(Stock acquisition rights at beginning of period)} - \text{(Minority interests at beginning of period)} + \{\text{(Net assets at period-end)} - \text{(Stock acquisition rights at period-end)} - \text{(Minority interests at period-end)}\} / 2}{\text{X 100}}$$