

7. Employee Retirement Benefits

(1) Balance of the retirement benefit liability

<SMBC Non-consolidated>		(Millions of yen)		
		Mar. 31, 2003		Mar. 31, 2002
			Change	
Balance of the retirement benefit liability	(A)	1,104,255	22,572	1,081,683
<Discount rate>		<3.0%>	<->	<3.0%>
Market value of pension assets	(B)	706,502	(28,431)	734,933
Reserve for employee retirement benefits	(C)	72,816	(47,999)	120,815
Prepaid pension cost	(D)	-	-	-
Unrecognized net obligation from change of accounting method	(E)	40,335	(20,167)	60,502
Unrecognized prior service cost (deductable from the obligation)	(F)	(52,701)	6,394	(59,095)
Unrecognized actuarial net gain(loss)	(A-B-C+D-E-F)	337,302	112,776	224,526

(Note) Discount rate as of Mar. 31, 2002 is that for the former SMBC.

(Reference) <Consolidated>		(Millions of yen)		
		Mar. 31, 2003		Mar. 31, 2002
			Change	
Balance of the retirement benefit liability	(A)	1,164,570	(11,389)	1,175,959
Market value of pension assets	(B)	723,175	(53,913)	777,088
Reserve for employee retirement benefits	(C)	101,408	(46,564)	147,972
Prepaid pension cost	(D)	-	(27)	27
Unrecognized net obligation from change of accounting method	(E)	44,087	(26,193)	70,280
Unrecognized prior service cost (deductable from the obligation)	(F)	(53,218)	7,489	(60,707)
Unrecognized actuarial net gain(loss)	(A-B-C+D-E-F)	349,118	107,765	241,353

(2) Cost for employee retirement benefits

<SMBC Non-consolidated>		(Millions of yen)		
		FY2002		FY2001
			Change	
Cost for employee retirement benefits		65,248	13,020	52,228
Service cost		21,782	377	21,405
Interest cost		32,394	(2,938)	35,332
Expected returns on pension assets		(31,056)	2,077	(33,133)
Amortization of net obligation from change of accounting method (amortized using the straight-line method over 5 years)		20,167	-	20,167
Amortization of prior service cost		(6,394)	(1,542)	(4,852)
Amortization of actuarial net gain(loss)		22,954	17,937	5,017
Others		5,400	(2,890)	8,290

(Reference) <Consolidated>		(Millions of yen)		
		FY2002		FY2001
			Change	
Cost for employee retirement benefits		79,650	15,097	64,553