

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

<SMBC Non-consolidated>

(Billions of yen)

	Sep. 30, 2003				Mar. 31, 2003			
	Assets (a)	Liabilities (b)	Net	Net	Assets (c)	Liabilities (d)	Net	Net
			assets (a) - (b)	deferred gains(losses)			assets (c) - (d)	deferred gains(losses)
Interest rate swaps	112.3	176.0	(63.7)	(109.3)	398.5	175.2	223.3	117.3
Currency swaps	139.3	143.4	(4.1)	6.1	419.5	408.0	11.5	9.6
Others	2.8	3.1	(0.3)	10.1	58.9	31.5	27.4	28.9
Total	254.4	322.5	(68.1)	(93.1)	876.9	614.7	262.2	155.8

(Notes) 1. Derivative transactions are carried at fair value in the balance sheet except those to which 'the short-cut method for interest rate swap' is applied.

2. As for the six-month period ended Sep. 30, 2003, SMBC applied individual deferred hedge accounting 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.

As for the year ended Mar. 31, 2003, SMBC mainly applied deferred hedge accounting based on 'the risk adjustment approach', which is one of the methods of macro hedging.

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

(Billions of yen)

	Sep. 30, 2003				Mar. 31, 2003			
	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	7,890.5	17,554.9	5,052.4	30,497.8	20,063.1	22,188.0	6,588.7
Receivable floating rate /payable fixed rate	810.2	4,418.7	4,500.1	9,729.0	12,075.6	14,597.6	3,509.8	30,183.0
Receivable floating rate /payable floating rate	3.1	613.0	50.8	666.9	5.2	866.6	84.5	956.3
Total contract amount	8,703.8	22,586.6	9,603.3	40,893.7	32,143.9	37,652.2	10,183.0	79,979.1