

Significant Accounting Policies for Non-consolidated Interim Financial Statements

1. Valuation of securities
Investments in subsidiaries and affiliates, and other securities without market value are carried at cost using the moving-average method.
2. Depreciation of fixed assets
 - (1) Premises and equipment
SMFG computes depreciation for buildings using the straight-line method.
 - (2) Intangible assets
SMFG computes depreciation for capitalized software for internal use using the straight-line method over its estimated useful life (five years).
3. Reserve
Reserve for employee bonuses is provided, in provision for payment of bonuses to employees, by the amount of estimated bonuses attributable to this interim term.
4. Lease transactions
Financing leases, excluding those in which the ownership of the property is transferred to the lessee, are accounted for in the same manner as operating leases.
5. Consumption taxes
National and local consumption taxes are accounted for using the tax-excluded method.

Notes to Non-consolidated Interim Balance Sheet

1. Amounts less than one million yen have been omitted.
2. Accumulated depreciation of premises and equipment was 0 million yen.
3. Long-term loans to subsidiaries and affiliates are subordinated loans.

Notes to Non-consolidated Interim Statement of Income

1. Amounts less than one million yen have been omitted.
2. Non-operating expenses include interest on borrowings of 436 million yen and amortization of organization costs of 150 million yen.
3. Depreciation for the interim term is as follows:

fixed assets	0 million yen
intangible assets	3 million yen.

Securities

SMFG has no investments in subsidiaries and affiliates that have market value.