Notes to Consolidated Balance Sheet

1. Amounts less than one million yen have been omitted.

2. Transactions for trading purposes (seeking gains arising from short-term changes in interest rates, currency exchange rates, or market prices of securities and other market related indices or from variation among markets) are included in "Trading assets" or "Trading liabilities" on the consolidated balance sheet on a contract date basis.
Securities and monetary claims purchased for trading purposes are stated at the fiscal year-end market value, and financial derivatives such as swaps, futures and options are stated at amounts that would be settled if the transactions were terminated at the consolidated balance sheet date.
A consolidated subsidiary, Sumitomo Mitsui Banking Corporation ("SMBC") formerly accounted for foreign currency translation differences arising from currency swaps for trading purposes as "Other assets" or "Other liabilities" on the balance sheet on a net basis. From this fiscal year, SMBC accounts for such foreign currency differences as "Trading assets" and "Trading liabilities" on a gross basis, pursuant to the "Treatment of Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Audit Committee Report No.25). Consequently, "Other liabilities" decreased by 61,077 million yen, and "Trading assets" and "Trading liabilities" increased by 19,741 million yen and 80,818 million yen, respectively.

3. Held-to-maturity debt securities are debt securities that consolidated subsidiaries have the positive intent and ability to hold to maturity, and are carried at amortized cost (straight-line method) using the moving-average method.
Investments in non-consolidated subsidiaries and affiliates that are not accounted for by the equity method are carried at cost using the moving-average method.
Securities other than trading purpose securities, held-to-maturity debt securities and investments in non-consolidated subsidiaries and affiliates are classified as "other securities" (available-for-sale securities). Stocks in other securities that have market value are carried at the average market prices during the final month of the fiscal year, and bonds and others that have market prices are carried at their fiscal year-end market prices (cost of securities sold is calculated using primarily the moving-average method). Other securities with no available market prices are carried at cost or amortized cost using the moving-average method. Net unrealized gains (losses) on other securities, net of income taxes, are included in "Stockholders' equity," after deducting the amount that is reflected in the fiscal year's earnings because of application of fair value hedge accounting.

4. Securities included in "Money held in trust" are carried in the same way as in Notes 2 and 3.

5. Derivative transactions, excluding those classified as trading derivatives, are carried at fair value, though some consolidated overseas subsidiaries account for derivative transactions in accordance with their local accounting standards.

6. Premises and equipment owned by Sumitomo Mitsui Financial Group, Inc. ("SMFG") and SMBC are depreciated using the straight-line method for premises and the declining-balance method for equipment. The estimated useful lives of major items are as follows:
Buildings: 7 to 50 years
Equipment: 2 to 20 years
Other consolidated subsidiaries depreciate premises and equipment, and lease assets primarily using the straight-line method over the estimated useful lives of the respective assets and the straight-line method over the lease term based on the residual value of assets at the end of the lease term, respectively.

7. Capitalized software for internal use owned by SMFG and its consolidated domestic subsidiaries is depreciated using the straight-line method over its estimated useful life (basically five years).

8. SMBC's assets and liabilities denominated in foreign currencies and overseas branches' accounts are translated into Japanese yen mainly at the exchange rate prevailing at the consolidated balance sheet date, with the exception of stocks of subsidiaries and affiliates translated at rates which are prevailing at the time of acquisition.
As for the accounting method of foreign currency transactions, in the previous fiscal year, domestic consolidated banking subsidiaries applied the temporary treatment stipulated in JICPA Industry Audit Committee Report No.25 to currency swaps and foreign exchange swaps for the purpose of lending or borrowing funds in different currencies. From this fiscal year, they apply the hedge accounting pursuant to the basic provisions of JICPA Industry Audit Committee Report No.25.
Consequently, for this fiscal year, the domestic consolidated banking subsidiaries have valuated such foreign exchange swaps at fair value and included their fair-valued assets and liabilities in the consolidated balance sheet. Previously, profits or losses on the foreign exchange swaps were charged to income by periodical allocation. As a result, "Other assets" and "Other liabilities" each increased by 1,035 million yen. However, this accounting change had no impact on profit or loss.
Foreign currency translation differences arising from currency swaps and forward foreign exchange transactions were formerly accounted for as "Other assets" or "Other liabilities" on a net basis, but from this fiscal year they are accounted for as "Other assets" or "Other liabilities" on a gross basis pursuant to JICPA Industry Audit Committee Report No.25. Consequently, "Other assets" and "Other liabilities" increased by 450,929 million yen each.

Other consolidated subsidiaries' assets and liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rate prevailing at their respective balance sheet dates.

9. Reserve for possible loan losses of SMBC and other major consolidated subsidiaries is provided as detailed below in accordance with the internal standards for write-offs and reserves.

For claims on borrowers that have entered into bankruptcy, special liquidation proceedings or similar legal proceedings ("bankrupt borrowers") or borrowers that are not legally or formally insolvent but are regarded as substantially in the same situation ("effectively bankrupt borrowers"), a reserve is provided based on the amount of claims, after the write-off stated below, net of the expected amount of recoveries from collateral and guarantees.

For claims on borrowers that are not currently bankrupt but are likely to become bankrupt in the future, a reserve is provided in the amount deemed necessary based on an overall solvency assessment of the claims, net of the expected amount of recoveries from collateral and guarantees.

Of the claims on borrowers requiring close monitoring, SMBC applies the Discounted Cash Flows method ("DCF method") to the claims on borrowers, all or some of whose loans are classified as "Past due loans (3 months or more)" or "Restructured loans" and whose total loans exceed a certain amount. SMBC establishes a reserve for possible loan losses using the DCF method for such claims in the amount of the difference between the present value of principal and interest (calculated using the rationally estimated cash flows discounted at the initial contractual interest rate) and the book value.

For other claims, a reserve is provided based on the historical loan-loss ratio.

For claims originated in specific countries, an additional reserve is provided for in the amount deemed necessary based on the assessment of political and economic conditions.

Branches and credit supervision departments assess all claims in accordance with the internal rules for self-assessment of assets, and the Credit Review Department, independent from these operating sections, audits their assessment. The reserves are provided based on the results of these assessments.

Reserve for possible loan losses of other consolidated subsidiaries for general claims is provided in the amount deemed necessary based on the historical loan-loss ratios, and for doubtful claims in the amount deemed uncollectible based on assessment of each claim.

For collateralized or guaranteed claims on bankrupt borrowers and effectively bankrupt borrowers, the amount exceeding the estimated value of collateral and guarantees is deemed to be uncollectible and charged off against the total outstanding amount of the claims. The amount of write-off was 1,236,148 million yen.

10. Reserve for employee bonuses is provided, in provision for payment of bonuses to employees, in the amount of estimated bonuses, which are attributable to this fiscal year.

11. Reserve for employee retirement benefits is provided, in provision for payment of retirement benefits to employees, in the amount deemed accrued at this fiscal year-end, based on the projected retirement benefit obligation and fair value of plan assets at this fiscal year-end.

Prior service cost is amortized using the straight-line method, primarily over 10 years within the employees' average remaining service period at incurrence.

Unrecognized net actuarial gain (loss) is amortized using the straight-line method, primarily over 10 years within the employees' average remaining service period, commencing from the next fiscal year of incurrence.

Unrecognized net obligation from the initial application of the new accounting standard for employee retirement benefits is amortized primarily using the straight-line method over five years.

SMBC received an approval from Minister of Health, Labor and Welfare for exemption from future retirement benefit obligations with respect to the entrusted portion of employee pension fund, in accordance with the implementation of the "Defined benefit enterprise pension plan law" on January 26, 2004. As a result, SMBC applied the temporary treatment stipulated in Article 47-2 of "Practical Guidelines of Accounting for Retirement Benefits (Interim Report)" (JICPA's Accounting Committee Report No.13), and derecognized retirement benefit liabilities on the entrusted portion and plan assets equivalent to the amount to be returned on the day of approval.

Consequently, SMFG records extraordinary gains of 59,095 million yen for this fiscal year.

The amount of expected return of plan assets (minimum legal reserves) was 184,014 million yen at this fiscal year-end.

12. Financing leases of SMFG and its consolidated domestic subsidiaries, excluding those in which the ownership of the property is transferred to the lessee, are accounted for in the same manner as operating leases.

13. As for the hedge accounting method applied to hedging transactions for interest rate risk arising from financial assets and liabilities, SMBC applies deferred hedge accounting or fair value hedge accounting.

In the previous fiscal year, SMBC applied the temporary treatment stipulated in the "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Audit Committee Report No.24) to the "macro hedge," which is the management of interest rate risk arising from large-volume transactions in loans, deposits and other interest-earning assets and interest-bearing liabilities as a whole using derivatives. From this fiscal year, SMBC applies the basic provisions of JICPA Industry Audit Committee Report No.24 to hedges on groups of large-volume, small-value monetary claims and debts with similar risk characteristics. SMBC assesses the effectiveness of such hedges in offsetting movement of the fair value by the changes in interest rates, by classifying the hedged items (such as deposits and loans) and the hedging instruments (such as interest rate swaps) by their maturity. As to the cash flow hedges, SMBC assesses the effectiveness of such hedges in fixing cash flows by verifying the correlation between the hedged items and the hedging instruments. As to the individual hedges, SMBC also assesses the effectiveness of such hedges.

As a result of changing the designation of hedge relationship pursuant to JICPA Industry Audit Committee Report No.24, SMBC applies fair value hedge accounting to hedging transactions for reducing the exposure to market volatility of bonds classified as other securities that are held for the purpose of Asset and Liability Management in order to more properly reflect the effectiveness of hedging transactions in the financial statements. Consequently, "Other assets" and "Net unrealized gains on other securities" decreased by 28,948 million yen and 13,923 million yen, respectively and "Deferred tax assets" increased by 9,528 million yen.

A portion of deferred hedge losses and gains, which was previously under the macro hedge, is no longer subject to hedge accounting. The deferred hedge losses and gains related to hedging instruments to which SMBC discontinued the application of hedge accounting or applied fair value hedge accounting as a result of the change mentioned above are charged to "Interest income" or "Interest expenses" over a 12-year period (maximum) from this fiscal year according to their maturity. At this fiscal year-end, gross amounts of deferred hedge losses and gains on "macro hedge" were 320,513 million yen and 293,837 million yen, respectively.

Certain other consolidated subsidiaries use the deferred hedge accounting or the special treatment for interest rate swaps. A consolidated domestic subsidiary (a leasing company) partly applies the accounting method that is permitted by the Industry Audit Committee Report No.19 "Temporary Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Leasing Industry," issued by JICPA.

14. SMBC applies deferred hedge accounting stipulated in the basic provisions of JICPA Industry Audit Committee Report No.25 to currency swap and foreign exchange swap transactions executed for the purpose of lending or borrowing funds in different currencies.

Pursuant to JICPA Industry Audit Committee Report No.25, SMBC assesses the effectiveness of currency swap and foreign exchange swap transactions executed for the purpose of offsetting the risk of changes in currency exchange rates by verifying that there are foreign-currency monetary claims and debts corresponding to the foreign-currency positions.

In order to hedge risk arising from volatility of exchange rates for stocks of subsidiaries and affiliates and other securities (excluding bonds) denominated in foreign currencies, SMBC applies deferred hedge accounting or fair value hedge accounting, on the conditions that the hedged securities are designated in advance and that sufficient on-balance (actual) or off-balance (forward) liability exposure exists to cover the cost of the hedged securities denominated in the same foreign currencies.

15. As for derivative transactions between consolidated subsidiaries or internal transactions between trading accounts and other accounts (or among internal sections), SMBC manages the interest rate swaps and currency swaps that are designated as hedging instruments in accordance with the strict criteria for external transactions stipulated in JICPA Industry Audit Committee Report No.24 and No.25. Therefore, SMBC accounts for the gains or losses that arise from interest rate swaps and currency swaps in its earnings or defers them, rather than eliminating them.

16. National and local consumption taxes of SMFG and its consolidated domestic subsidiaries are accounted for using the tax-excluded method.

17. SMBC accounts for the exhibition expenses related to "The 2005 World Exposition, Aichi, Japan" that will be held in Aichi Prefecture in 2005 as "Reserve for expenses related to EXPO 2005 Japan." This reserve is stipulated in Article 43 of the Ordinance of the Commercial Code and includes the reserve that is stipulated in Article 57-2 of the Specific Taxation Measures Law.

18. Other reserves required by special laws are reserve for contingent liabilities from financial futures transactions (18 million yen) in accordance with Article 82 of the Financial Futures Transaction Law, and reserve for contingent liabilities from securities transactions (843 million yen) in accordance with Article 51 of the Securities Exchange Law.

19. Accumulated depreciation on premises and equipment and accumulated depreciation on lease assets amounted to 587,180 million yen and 1,528,311 million yen, respectively.

20. Bankrupt loans and Non-accrual loans were 96,413 million yen and 1,767,862 million yen, respectively. These amounts include trusts with The Resolution and Collection Corporation, a measure regarded as off-balancing, in the amount of 7,522 million yen.

"Bankrupt loans" are loans on which consolidated subsidiaries do not currently accrue interest income, as substantial doubt is judged to exist as to the ultimate collectability of either principal or interest as they are past due for a considerable period of time or for other reasons, and meet conditions defined in Article 96-1-3 and 96-1-4 of the Enforcement Ordinance No.97 of the Japanese Corporate Tax Law, issued in 1965. "Non-accrual loans" are loans on which consolidated subsidiaries do not currently accrue interest income, excluding "Bankrupt loans" and loans for which consolidated subsidiaries are forbearing interest payments to support the borrowers' recovery from financial difficulties.

21. Past due loans (3 months or more) totaled 51,538 million yen.

"Past due loans (3 months or more)" are loans other than "Bankrupt loans" and "Non-accrual loans" on which the principal or interest is past due for three months or more.

22. Restructured loans totaled 1,382,168 million yen.
"Restructured loans" are loans other than "Bankrupt loans," "Non-accrual loans" and "Past due loans (3 months or more)" for which consolidated subsidiaries have relaxed lending terms, such as reduction of the original interest rate, forbearance of interest payments or principal repayments or have made agreements in favor of borrowers such as debt forgiveness, to support the borrowers' recovery from financial difficulties.

23. The total amount of Bankrupt loans, Non-accrual loans, Past due loans (3 months or more) and Restructured loans was 3,297,981 million yen. This amount includes trusts with The Resolution and Collection Corporation, a measure regarded as off-balancing, in the amount of 7,522 million yen.
The amounts of loans presented in Notes 20 to 23 above are the amounts before deduction of reserve for possible loan losses.

24. Bills discounted are accounted for as financial transactions in accordance with JICPA Industry Audit Committee Report No.24. SMFG's banking subsidiaries have rights to sell or pledge bank acceptance bought, commercial bills discounted, documentary bills and foreign exchanges bought without restrictions. The total face value was 1,023,057 million yen.

25. Assets pledged as collateral were as follows:

	(Millions of yen)
Assets pledged	
Cash and due from banks	112,778
Trading assets	540,579
Securities	10,723,663
Loans and bills discounted	1,375,426
Other assets (installment account receivable etc.)	1,056
Premises and equipment	524
Liabilities corresponding to assets pledged	
Deposits	15,276
Call money and bills sold	5,175,669
Payables under repurchase agreements	1,055,508
Payables under securities lending transactions	5,700,206
Trading liabilities	203,599
Borrowed money	4,451
Other liabilities	1,122
Acceptances and guarantees	141,835

In addition, Cash and due from banks of 42,537 million yen, Trading assets of 3,908 million yen, Securities of 6,801,910 million yen, Loans and bills discounted of 55,000 million yen were pledged as collateral for cash settlements, variation margins of futures markets and certain other purposes.
Premises and equipment include surety deposits and intangible of 112,628 million yen, and Other assets include initial margins of futures markets of 8,130 million yen.

26. Net amount of deferred unrealized gains (losses) on hedging instruments to which deferred hedge accounting is applied is reported as deferred loss on hedge and is included in "Other assets." Gross deferred unrealized losses and gains on hedging instruments were 663,546 million yen and 564,122 million yen, respectively.

27. SMBC revaluated its own land for business activities in accordance with the "Law Concerning Land Revaluation" (the "Law") effective March 31, 1998 and the law concerning amendment of the Law effective March 31, 2001. The income taxes corresponding to the net unrealized gains are deferred and reported in "Liabilities" as "Deferred tax liabilities for land revaluation," and the net unrealized gains, net of deferred taxes, are reported as "Land revaluation excess" in "Stockholders' equity."
Certain consolidated subsidiaries revaluated their own land for business activities in accordance with the Law. The income taxes corresponding to the net unrealized gains (losses) are deferred and reported in "Liabilities" or "Assets" as "Deferred tax liabilities for land revaluation" or "Deferred tax assets for land revaluation," and the net unrealized gains (losses), net of deferred taxes, are reported as "Land revaluation excess" in "Stockholders' equity."

Date of the revaluation

SMBC	March 31,1998 and March 31, 2002
Certain consolidated subsidiaries	March 31,1999 and March 31, 2002

Method of revaluation (stipulated in Article 3-3 of the Law)

SMBC: Fair values were determined by applying appropriate adjustments for land shape and timing of appraisal to the values stipulated in Article 2-3, 2-4 or 2-5 of the Enforcement Ordinance of the Law Concerning Land Revaluation (the Enforcement Ordinance No.119) effective March 31, 1998.

Certain consolidated subsidiaries: Fair values were determined based on the values specified in Article 2-3 and 2-5 of the Enforcement Ordinance No.119.

The total fair value of land for business activities revaluated pursuant to Article 10 of the Law at the fiscal year-end is 16,497 million yen lower than their total revaluated book value.

28. The balance of subordinated debt included in "Borrowed money" was 770,003 million yen.

29. The balance of subordinated bonds included in "Bonds" was 1,661,881 million yen.

30. Stockholders' equity per share was 215,454.84 yen.

31. Market value and unrealized gains (losses) on securities are shown as below:
In addition to "Securities" in the consolidated balance sheet, trading securities, commercial paper and short-term corporate bonds classified as "Trading assets," negotiable certificates of deposit bought classified as "Cash and due from banks," and beneficiary claim on loan trust classified as "Commercial paper and other debt purchased" are also included in the amounts of the following tables. This definition is applied up to Notes 36.

(1) Securities classified as trading purposes

As of and for the year ended March 31, 2004	(Millions of yen)
Consolidated balance sheet amount	1,170,727
Valuations gains (losses) included in profit/loss during the fiscal year	(1,707)

(2) Bonds classified as held-to-maturity with market value

As of March 31, 2004 (Millions of yen)

	Consolidated balance sheet amount	Market value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese government bonds	509,458	500,930	(8,527)	1,739	10,266
Other	17,272	18,374	1,101	1,101	–
Total	526,731	519,305	(7,425)	2,840	10,266

(3) Other securities with market value

As of March 31, 2004 (Millions of yen)

	Acquisition cost	Consolidated balance sheet amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Stocks	2,234,577	2,904,362	669,784	736,878	67,094
Bonds	15,604,771	15,501,515	(103,256)	18,590	121,847
Japanese government bonds	14,028,689	13,939,482	(89,207)	14,225	103,432
Japanese local government bonds	515,362	506,263	(9,098)	1,075	10,173
Japanese corporate bonds	1,060,720	1,055,769	(4,950)	3,289	8,240
Other	5,354,322	5,363,406	9,084	32,047	22,963
Total	23,193,672	23,769,285	575,612	787,517	211,904

Of the total net unrealized gains shown above, 23,452 million yen is included in this fiscal year's profit because of the application of fair value hedge accounting.

"Net unrealized gains on other securities" includes 324,951 million yen that is the sum of the following items:

			(Millions of yen)
	Net unrealized gains to be included in stockholders' equity, as a result of applying fair value hedge accounting	(a)	552,160
(–)	Deferred tax liabilities	(b)	225,259
	(c) = (a) – (b)		326,900
(–)	Minority interests corresponding to (c)		3,207
(+)	SMFG's interests of net unrealized gains (losses) on other securities held by affiliates accounted for by the equity method		1,258
	Total		324,951

Other securities with market value are considered as impaired if the market value decreases materially below the acquisition cost and such decline is not considered as recoverable. The market value is recognized as the consolidated balance sheet amount and the amount of write-down is accounted for as valuation loss (impaired) for this fiscal year. Valuation loss for this fiscal year was 5,625 million yen. The rule for determining "material decline" is as follows and is based on the classification of issuing company under self-assessment of assets.

Bankrupt/ Effectively bankrupt/ Potentially bankrupt issuers	Market value is lower than acquisition cost
Issuers requiring caution	Market value is 30% or more lower than acquisition cost
Normal issuers	Market 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 bankrupt now, but are 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

32. Held-to-maturity bonds sold during the fiscal year is as follows:

Year ended March 31, 2004 (Millions of yen)

	Acquisition Cost	Sales Amount	Gains on sales	Reason for sales
Japanese government bonds	21,063	21,709	645	A consolidated subsidiary, THE MINATO BANK, LTD. ("Minato") changed its investment policy.
Japanese local government bonds	23,060	23,796	736	
Total	44,123	45,506	1,382	

33. The amount of other securities sold during the fiscal year is as follows:

Year ended March 31, 2004 (Millions of yen)

Sales amount	Gains on sales	Losses on sales
30,640,639	281,085	154,031

34. Summary information on securities with no available market value is as follows:

As of March 31, 2004 (Millions of yen)

	Consolidated balance sheet amount
Bonds classified as held-to-maturity	
Unlisted foreign securities	3,371
Other	9,713
Other securities	
Unlisted stocks (except for OTC stocks)	532,446
Unlisted bonds	1,596,199
Unlisted foreign securities	316,217
Other	144,433

35. During this fiscal year, Minato changed its investment policy and sold some of the held-to-maturity bonds before their maturities during this fiscal year. As a result, Minato changed the classification of the remaining bonds that Minato holds, 28,281 million yen, from "held-to-maturity" to "other securities" pursuant to Article 83 of the "Practical Guidelines for Accounting for Financial Instruments" (JICPA Accounting Committee Report No.14). In addition, 12,063 million yen in reclassified bonds were sold during this fiscal year and net gains on sale of 18 million yen were recorded.

As a result of this change of classification, "Securities" increased by 35 million yen and "Deferred tax assets" decreased by 14 million yen, and "Minority interests" and "Net unrealized gains on other securities" increased by 19 million yen and 1 million yen, respectively, compared with the former classification of bonds.

36. Redemption schedule of other securities with maturities and bonds classified as held-to-maturity is as follows:

As of March 31, 2004 (Millions of yen)

	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	Over 10 years
Bonds	2,879,079	9,470,889	3,999,979	1,257,227
Japanese government bonds	2,706,787	7,223,369	3,266,491	1,252,292
Japanese local government bonds	7,759	263,194	234,789	519
Japanese corporate bonds	164,531	1,984,324	498,698	4,415
Other	441,373	4,212,911	457,429	538,094
Total	3,320,453	13,683,800	4,457,409	1,795,322

37. Information on money held in trust is as follows:

Other money held in trust

As of March 31, 2004 (Millions of yen)

Acquisition cost	Consolidated balance sheet amount	Net unrealized gains	Unrealized gains	Unrealized losses
3,628	3,749	121	222	100

Net unrealized gains on other money held in trust of 72 million yen (after the deduction of 49 million yen in deferred tax liabilities from the above 121 million yen in net unrealized gains) are included in "Net unrealized gains on other securities."

38. "Japanese government bonds" and "Stock" as a sub-account of "Securities" include 15,849 million yen of unsecured loaned securities for which borrowers have the right to sell or pledge and 99 million yen of loaned securities for which borrowers only have the right to pledge and not to sell.

As for the unsecured borrowed securities for which SMBC has the right to sell or pledge and the securities which SMBC purchased under resale agreements, that are permitted to be sold or pledged without restrictions, 1,022,170 million yen in securities are pledged, and 165,047 million yen in securities are held in hand as of the consolidated balance sheet date.

39. Commitment line contracts on overdrafts and loans are agreements to lend to customers up to a prescribed amount, as long as there is no violation of any condition established in the contracts. The amount of unused commitments was 32,634,541 million yen, and the amount of unused commitments whose original contract terms are within one year or unconditionally cancelable at any time was 29,806,280 million yen. Since many of these commitments are expected to expire without being drawn upon, the total amount of unused commitments does not necessarily represent actual future cash flow requirements. Many of these commitments include clauses under which SMBC and other consolidated subsidiaries can reject an application from customers or reduce the contract amounts in the event that economic conditions change, SMBC and other consolidated subsidiaries need to secure claims, or other events occur. In addition, SMBC and other consolidated subsidiaries may request the customers to pledge collateral such as premises and securities at the time of the contracts, and take necessary measures such as monitoring the customers' financial positions, revising contracts when need arises and securing claims after contracts are made.

40. Information on projected benefit obligation and others at this fiscal year-end is shown as follows:

	(Millions of yen)
Projected benefit obligation	(892,421)
Plan assets (fair value)	709,353
Unfunded projected benefit obligation	(183,068)
Unrecognized net obligation from initial application of the new accounting standard	17,876
Unrecognized net actuarial gain or loss	215,420
Unrecognized prior service costs (net)	(78,022)
Net amount recorded on the consolidated balance sheet	(27,792)
Prepaid pension cost	13,049
Reserve for employee retirement benefits	(40,842)