

**(Reference) Financial Statements of SMBC****1. Highlights of SMBC's Financial Results for the Six Months ended  
September 30, 2004****<SMBC Non-consolidated>**

Ordinary income	1,140,066 million yen
Ordinary profit	125,198 million yen
Net income	118,554 million yen
Total assets	92,742,940 million yen
Stockholders' equity	2,756,776 million yen
Stockholders' equity to Total assets	2.97 %
Capital ratio (BIS Guidelines) [preliminary]	11.35 %
Number of shares outstanding as of term-end	56,042,947 shares
Common stock	55,212,947 shares
Type 1 Preferred stock	35,000 shares
Type 2 Preferred stock	100,000 shares
Type 3 Preferred stock	695,000 shares
Number of treasury stock as of term-end	- shares
Average number of shares outstanding during the term	55,822,828 shares
Common stock	54,878,662 shares
Type 1 Preferred stock	61,666 shares
Type 2 Preferred stock	100,000 shares
Type 3 Preferred stock	782,500 shares
Net income per share	2,160.29 yen
Net income per share (diluted)	2,057.29 yen
Stockholders' equity per share	30,007.03 yen
Interim dividends (maximum payable amounts scheduled (Note1))	50.5 billion yen
Common stock	683 yen per share
Type 1 Preferred stock	10,500 yen per share
Type 2 Preferred stock	28,500 yen per share
Type 3 Preferred stock	13,700 yen per share
Increase of net assets by recognizing at fair value (Note 2)	457,901 million yen

- (Notes) 1. The interim dividends (Record date: December 31) will be paid to SMFG (parent company).  
The payment will be resolved at the Board of Directors' meeting to be held after January 2005.
2. In case Article 124-3 of the Ordinance of the Commercial Code of Japan is applied.

**<SMBC Consolidated>**

Capital ratio (BIS Guidelines) [preliminary]	11.03 %
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## 2. Balance Sheet (Condensed) &lt;SMBC Non-consolidated&gt;

(millions of yen)

	September 30, 2004 (A)	September 30, 2003 (B)	Change (A-B)	March 31, 2004 (C)	Change (A-C)
<b>Assets</b>					
Cash and due from banks & Deposits with banks	5,280,483	3,423,380	1,857,103	4,866,920	413,563
Call loans	296,119	232,136	63,983	287,262	8,857
Receivables under resale agreements	106,419	61,204	45,215	130,337	(23,918)
Receivables under securities borrowing transactions	1,621,384	625,010	996,374	1,009,328	612,056
Bills bought	-	327,500	(327,500)	-	-
Commercial paper and other debt purchased	120,322	103,627	16,695	133,081	(12,759)
Trading assets	2,986,863	2,984,076	2,787	2,958,990	27,873
Money held in trust	3,783	27,493	(23,710)	3,749	34
Securities	23,524,899	21,847,113	1,677,786	26,592,584	(3,067,685)
Loans and bills discounted	50,723,607	55,153,522	(4,429,915)	50,810,144	(86,537)
Foreign exchanges	910,803	755,924	154,879	720,840	189,963
Other assets	1,365,753	1,865,874	(500,121)	1,480,776	(115,023)
Premises and equipment	671,495	681,442	(9,947)	688,325	(16,830)
Deferred tax assets	1,631,561	1,711,738	(80,177)	1,590,518	41,043
Customers' liabilities for acceptances and guarantees	4,462,028	4,498,916	(36,888)	4,086,964	375,064
Reserve for possible loan losses	(962,583)	(1,518,988)	556,405	(1,250,751)	288,168
<b>Total assets</b>	<b>92,742,940</b>	<b>92,779,975</b>	<b>(37,035)</b>	<b>94,109,074</b>	<b>(1,366,134)</b>
<b>Liabilities</b>					
Deposits	62,011,605	57,746,253	4,265,352	60,067,417	1,944,188
Negotiable certificates of deposit	3,239,176	3,454,958	(215,782)	3,589,354	(350,178)
Call money	3,043,178	2,202,679	840,499	2,479,233	563,945
Payables under repurchase agreements	704,384	1,868,451	(1,164,067)	1,071,114	(366,730)
Payables under securities lending transactions	4,571,110	4,624,779	(53,669)	5,946,346	(1,375,236)
Bills sold	1,588,400	5,715,900	(4,127,500)	3,725,600	(2,137,200)
Trading liabilities	1,505,855	1,608,728	(102,873)	1,504,465	1,390
Borrowed money	2,441,850	2,648,173	(206,323)	2,531,973	(90,123)
Foreign exchanges	534,408	449,941	84,467	576,958	(42,550)
Bonds	3,699,055	2,884,076	814,979	3,177,741	521,314
Due to trust account	42,202	24,944	17,258	36,032	6,170
Other liabilities	2,076,868	2,309,751	(232,883)	2,368,824	(291,956)
Reserve for employee bonuses	8,598	8,569	29	8,752	(154)
Reserve for employee retirement benefits	-	66,096	(66,096)	11,748	(11,748)
Reserve for possible losses on loans sold	-	222	(222)	-	-
Reserve for expenses related to EXPO 2005 Japan	172	57	115	116	56
Other reserves	18	18	-	18	-
Deferred tax liabilities for land revaluation	57,250	55,835	1,415	55,541	1,709
Acceptances and guarantees	4,462,028	4,498,916	(36,888)	4,086,964	375,064
<b>Total liabilities</b>	<b>89,986,163</b>	<b>90,168,353</b>	<b>(182,190)</b>	<b>91,238,204</b>	<b>(1,252,041)</b>
<b>Stockholders' equity</b>					
Capital stock	559,985	559,985	-	559,985	-
Capital surplus	1,262,546	1,237,307	25,239	1,237,307	25,239
Capital reserve	904,932	879,693	25,239	879,693	25,239
Other capital surplus	357,614	357,614	-	357,614	-
Retained earnings	592,112	557,289	34,823	676,064	(83,952)
Voluntary reserves	221,532	221,540	(8)	221,540	(8)
Unappropriated retained earnings at end of term (year)	370,579	335,749	34,830	454,523	(83,944)
Land revaluation excess	83,656	82,165	1,491	81,158	2,498
Net unrealized gains (losses) on other securities	258,476	174,873	83,603	316,354	(57,878)
<b>Total stockholders' equity</b>	<b>2,756,776</b>	<b>2,611,621</b>	<b>145,155</b>	<b>2,870,870</b>	<b>(114,094)</b>
<b>Total liabilities and stockholders' equity</b>	<b>92,742,940</b>	<b>92,779,975</b>	<b>(37,035)</b>	<b>94,109,074</b>	<b>(1,366,134)</b>

(Note) Amounts less than JPY 1 million are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

## 3. Income Statement (Condensed) &lt;SMBC Non-consolidated&gt;

(Millions of yen)

	Six months ended Sep. 30, 2004 (A)	Six months ended Sep. 30, 2003 (B)	Change (A-B)	FY2003
Ordinary income:	1,140,066	1,177,035	(36,969)	2,322,363
Interest income	646,974	729,620	(82,646)	1,392,322
Interest on loans and discounts	464,162	491,865	(27,703)	972,891
Interest and dividends on securities	119,916	132,204	(12,288)	249,594
Trust fees	729	84	645	334
Fees and commissions	181,243	150,162	31,081	322,075
Trading profits	21,755	152,104	(130,349)	283,611
Other operating income	150,886	88,276	62,610	149,209
Other income	138,476	56,787	81,689	174,809
Ordinary expenses:	1,014,868	1,071,859	(56,991)	2,137,225
Interest expenses	156,108	161,039	(4,931)	305,284
Interest on deposits	42,412	47,083	(4,671)	85,133
Fees and commissions	54,221	50,831	3,390	95,506
Trading losses	605	2,279	(1,674)	2,881
Other operating expenses	27,939	110,774	(82,835)	159,774
General and administrative expenses	300,276	315,168	(14,892)	623,098
Other expenses	475,717	431,765	43,952	950,679
Ordinary profit	125,198	105,175	20,023	185,138
Extraordinary gains	678	55,035	(54,357)	166,823
Extraordinary losses	12,806	17,222	(4,416)	33,115
Income before income taxes	113,070	142,988	(29,918)	318,846
Income taxes, current	1,645	12,573	(10,928)	12,752
Income taxes, refund	7,405	-	7,405	-
Income taxes, deferred	276	(9,244)	9,520	4,980
Net income	118,554	139,659	(21,105)	301,113
Unappropriated retained earnings carried forward	254,523	192,995	61,528	192,995
Transfer from land revaluation excess	(2,497)	3,094	(5,591)	3,868
Interim dividends	-	-	-	43,454
Unappropriated retained earnings at end of term (year)	370,579	335,749	34,830	454,523

(Notes) Amounts less than JPY 1 million are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

#### 4. Market Value Information on Securities <SMBC Non-consolidated>

##### [1] Securities

In addition to "Securities" stated in the non-consolidated balance sheet, negotiable certificates of deposit bought classified as "Cash and due from banks" and commercial paper classified as "Commercial paper and other debt purchased" are included in the amount below.

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

(Millions of yen)

	September 30, 2004				
	Balance sheet amount	Market value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese Government bonds	507,501	501,652	(5,848)	1,683	7,532
Other	9,979	10,653	674	676	2
Total	517,480	512,306	(5,174)	2,360	7,534

##### (2) Investments in subsidiaries or affiliates with market value

(Millions of yen)

	September 30, 2004		
	Balance sheet amount	Market value	Net unrealized gains (losses)
Stocks of subsidiaries	81,629	117,147	35,518
Stocks of affiliates	145,379	146,435	1,055
Total	227,008	263,583	36,574

##### (3) Other securities with market value

(Millions of yen)

	September 30, 2004				
	Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Stocks	1,956,759	2,515,642	558,882	607,708	48,826
Bonds	12,762,191	12,700,000	(62,191)	13,255	75,446
Japanese Government bonds	11,796,891	11,743,549	(53,342)	10,005	63,348
Japanese Local Government bonds	412,402	406,572	(5,829)	980	6,810
Japanese corporate bonds	552,898	549,879	(3,018)	2,268	5,287
Other	3,815,075	3,775,757	(39,318)	7,323	46,642
Change of purpose of holding	-	-	36	36	-
Total	18,534,027	18,991,400	457,409	628,324	170,915

(Notes)

1. 'Unrealized gains (losses) for other securities' include 22,199 million yen recognized in income statement by application of fair value hedge accounting.

As a result of applying fair value hedge accounting, the amount subject to inclusion in the stockholders' equity is 435,210 million yen and the actual amount included in the stockholder's equity under "Net unrealized gains on other securities" is 258,384 million yen (calculated by deducting deferred tax liabilities of 176,825 million yen from the 435,210 million yen).

2. Other securities with market value are considered impaired if the market value declines materially below the acquisition cost, and such decline is not considered recoverable. The market value is recognized as the balance sheet amount and the amount of write-down is accounted for as valuation loss (impaired) for this term. Valuation loss for this term was 39 million yen. The rule for determining "material decline" is as follows and is based on the classification of issuers under the rules of 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 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

## (4) Securities with no available market value

(Millions of yen)

	September 30, 2004
Bonds classified as held-to-maturity	
Negotiable certificates of deposit	5,137
Investments in subsidiaries and affiliates	
Stocks of subsidiaries	1,147,907
Stocks of affiliates	7,442
Other	30,324
Other securities	
Unlisted stocks (excluding OTC stocks)	541,796
Unlisted bonds	1,754,691
Unlisted foreign securities	239,046
Other	133,002

## (5) Redemption schedule of other securities with maturities and bonds classified as held-to-maturity

(Millions of yen)

	September 30, 2004			
	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years
Bonds	2,753,592	7,370,482	2,872,173	1,965,944
Japanese Government bonds	2,582,260	5,566,569	2,143,316	1,958,903
Japanese Local Government bonds	938	183,602	221,527	503
Japanese corporate bonds	170,393	1,620,310	507,329	6,537
Other	262,149	2,831,349	386,731	343,751
Total	3,015,742	10,201,832	3,258,905	2,309,695

## [2] Money Held in Trust

Other money held in trust (Other than classified as trading or held-to-maturity purpose)

(Millions of yen)

	September 30, 2004				
	Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Other money held in trust	3,628	3,783	154	271	116

(Note) Net unrealized gains of 92 million yen (after deducting 62 million yen in deferred tax liabilities from 154 million yen in net unrealized gains) are included in 'Net unrealized gains on other securities.'

## 5. Statements of Trust Assets and Liabilities &lt;SMBC Non-consolidated&gt;

(Millions of yen)

	September 30, 2004 (A)	September 30, 2003 (B)	Change (A-B)	March 31, 2004 (C)	Change (A-C)
Loans and bills discounted	5,490	19,100	(13,610)	10,000	(4,510)
Securities	27,788	3,001	24,787	4,645	23,143
Securities held in custody accounts	3,000	-	3,000	-	3,000
Monetary claims	481,436	219,966	261,470	378,710	102,726
Other claims	171	0	171	0	171
Due from banking account	42,202	24,944	17,258	36,032	6,170
Total assets	560,087	267,013	293,074	429,388	130,699
Monetary trusts	35,478	22,127	13,351	17,007	18,471
Securities trusts	3,000	-	3,000	-	3,000
Monetary claims trusts	478,590	209,545	269,045	371,476	107,114
Composite trusts	43,019	35,340	7,679	40,904	2,115
Total liabilities	560,087	267,013	293,074	429,388	130,699

(Notes)

1. Amounts less than JPY 1 million are rounded down. Figures in parenthesis indicate the amount of loss or decrease.
2. SMBC has no co-operative trusts under other trust bank's administration.
3. SMBC does not handle any trusts with principal indemnification.