

Financial Results
for the Six Months
ended September 30, 2008
-Supplementary Information-

Sumitomo Mitsui Financial Group, Inc.
Sumitomo Mitsui Banking Corporation

<Table of Contents>

| | Page |
|---|------|
| Financial Highlights for the Six Months ended September 30, 2008 | |
| 1. Income Analysis | 1 |
| 2. Banking Profit per Employee / Overhead Ratio | 3 |
| 3. Interest Spread (Domestic) | 3 |
| 4. Gain (Loss) on Securities | 3 |
| 5. Unrealized Gain (Loss) on Securities | 4 |
| 6. Redemption Schedule of Other Securities | 5 |
| 7. Overview of Derivative Transactions (on Deferred Hedge Accounting Basis) | 5 |
| 8. Employee Retirement Benefits | 6 |
| 9. Capital Ratio | 7 |
| 10. ROE | 7 |
| 11. Classification under Self-Assessment, Disclosure of Problem Assets, and Write-Offs / Reserves | 8 |
| 12. Risk-Monitored Loans | 9 |
| 13. Reserve for Possible Loan Losses | 10 |
| 14. Reserve Ratio to Risk-Monitored Loans | 10 |
| 15. Problem Assets Based on the Financial Reconstruction Law and the Coverage | 11 |
| 16. Progress in Off-Balancing of Problem Assets | 12 |
| 17. Loan Portfolio, Classified by Industry | 13 |
| 18. Loan Portfolio, Classified by Country | 15 |
| 19. Deposits and Loans | 16 |
| 20. Other Financial Data | 17 |
| 21. Number of Directors and Employees | 17 |
| 22. Number of Offices | 17 |
| 23. Deferred Tax Assets | 18 |
| 24. Earnings Forecast for FY2008 | 20 |
| (Reference 1) Overview of Medium-term Management Plan, Management Policy in FY2008, and its Progress | 21 |
| (Reference 2) Exposure of Securitized Products | 22 |
| (Reference 3) Financial Statements of SMBC | 26 |

(Notes) 1. <Consolidated>: Consolidated figures of Sumitomo Mitsui Financial Group, Inc. ("SMFG")

2. <Non-consolidated>: Non-consolidated figures of Sumitomo Mitsui Banking Corporation ("SMBC")

This document contains certain forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may materially differ from those contained in the forward-looking statements as a result of various factors.

The following items are among the factors that could cause actual results to differ materially from the forward-looking statements in this material: business conditions in the banking industry, the regulatory environment, new legislation, competition with other financial services companies, changing technology and evolving banking industry standards and similar matters.

Financial Highlights for the Six Months ended September 30, 2008

1. Income Analysis

<SMBC Non-consolidated>

(Millions of yen)

| | | Six months ended | | Six months ended |
|--|----|------------------|-----------|------------------|
| | | Sep. 30, 2008 | Change | Sep. 30, 2007 |
| Gross banking profit | 1 | 735,053 | 16,561 | 718,492 |
| <i>Excluding gain (loss) on bonds</i> | 2 | 739,613 | 14,872 | 724,741 |
| Gross domestic profit | 3 | 566,042 | (35,177) | 601,219 |
| <i>Excluding gain (loss) on bonds</i> | 4 | 573,287 | (22,044) | 595,331 |
| Net interest income | 5 | 459,991 | (749) | 460,740 |
| Trust fees | 6 | 1,244 | (995) | 2,239 |
| Net fees and commissions | 7 | 105,187 | (18,326) | 123,513 |
| Net trading income | 8 | 3,889 | (785) | 4,674 |
| Net other ordinary income | 9 | (4,269) | (14,320) | 10,051 |
| <i>Gain (loss) on bonds</i> | 10 | (7,245) | (13,132) | 5,887 |
| Gross international profit | 11 | 169,010 | 51,738 | 117,272 |
| <i>Excluding gain (loss) on bonds</i> | 12 | 166,325 | 36,916 | 129,409 |
| Net interest income | 13 | 52,949 | 36,148 | 16,801 |
| Net fees and commissions | 14 | 41,893 | 8,250 | 33,643 |
| Net trading income | 15 | (18,596) | (117,198) | 98,602 |
| Net other ordinary income | 16 | 92,764 | 124,539 | (31,775) |
| <i>Gain (loss) on bonds</i> | 17 | 2,684 | 14,821 | (12,137) |
| Expenses (excluding non-recurring loss) | 18 | (356,566) | (28,979) | (327,587) |
| Personnel expenses | 19 | (121,669) | (14,411) | (107,258) |
| Non-personnel expenses | 20 | (216,070) | (15,203) | (200,867) |
| Taxes | 21 | (18,825) | 637 | (19,462) |
| Banking profit (before provision of allowance for general loan losses) | 22 | 378,486 | (12,418) | 390,904 |
| <i>Excluding gain (loss) on bonds</i> | 23 | 383,047 | (14,106) | 397,153 |
| Provision of allowance for general loan losses | 24 | (3,729) | 4,055 | (7,784) |
| Banking profit | 25 | 374,757 | (8,362) | 383,119 |
| Gain (loss) on bonds | 26 | (4,560) | 1,689 | (6,249) |
| Non-recurring gain (loss) | 27 | (252,649) | (27,379) | (225,270) |
| Credit costs | 28 | (220,414) | (113,973) | (106,441) |
| Gain (loss) on stocks | 29 | (17,184) | 86,632 | (103,816) |
| Gain on sales of stocks and other securities | 30 | 5,412 | (2,812) | 8,224 |
| Loss on sales of stocks and other securities | 31 | (587) | (41) | (546) |
| Loss on devaluation of stocks and other securities | 32 | (22,009) | 89,485 | (111,494) |
| Other non-recurring gain (loss) | 33 | (15,049) | (37) | (15,012) |
| Ordinary profit | 34 | 122,108 | (35,741) | 157,849 |
| Extraordinary income (loss) | 35 | (1,228) | 1,411 | (2,639) |
| Gain (loss) on disposal of noncurrent assets | 36 | (60) | (510) | 450 |
| Impairment loss | 37 | (1,168) | 1,927 | (3,095) |
| Recoveries of written-off claims | 38 | 0 | (6) | 6 |
| Income before income taxes | 39 | 120,879 | (34,330) | 155,209 |
| Income taxes-current | 40 | (7,152) | 58 | (7,210) |
| Income taxes-deferred | 41 | (33,332) | 50,868 | (84,200) |
| Net income | 42 | 80,394 | 16,596 | 63,798 |
| Total credit cost (24+28+38) | 43 | (224,143) | (109,923) | (114,220) |
| Provision of allowance for general loan losses | 44 | (3,729) | 4,055 | (7,784) |
| Written-off of loans | 45 | (119,444) | (60,267) | (59,177) |
| Provision of allowance for specific loan losses | 46 | (86,407) | (41,907) | (44,500) |
| Loss on sales of delinquent loans | 47 | (14,563) | (9,860) | (4,703) |
| Provision of allowance for loans losses in specific countries | 48 | (0) | (1,941) | 1,941 |
| Recoveries of written-off claims | 49 | 0 | (6) | 6 |

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

<Consolidated>

(Millions of yen)

| | | Six months ended | | Six months ended |
|---|-----------|------------------|------------------|------------------|
| | | Sep. 30, 2008 | Change | Sep. 30, 2007 |
| Consolidated gross profit | 1 | 1,068,130 | 45,579 | 1,022,551 |
| Net interest income | 2 | 678,514 | 78,940 | 599,574 |
| Trust fees | 3 | 1,268 | (994) | 2,262 |
| Net fees and commissions | 4 | 283,999 | (9,440) | 293,439 |
| Net trading income | 5 | (342) | (118,704) | 118,362 |
| Net other ordinary income | 6 | 104,690 | 95,778 | 8,912 |
| General and administrative expenses | 7 | (538,960) | (61,603) | (477,357) |
| Credit costs | 8 | (303,048) | (159,558) | (143,490) |
| Written-off of loans | 9 | (153,570) | (88,556) | (65,014) |
| Provision of allowance for specific loan losses | 10 | (109,697) | (47,227) | (62,470) |
| Provision of allowance for general loan losses | 11 | (24,232) | (11,648) | (12,584) |
| Other credit cost | 12 | (15,546) | (12,125) | (3,421) |
| Gain (loss) on stocks | 13 | (19,777) | 27,646 | (47,423) |
| Equity in earnings (losses) of affiliates | 14 | (6,138) | (25,168) | 19,030 |
| Other income (expenses) | 15 | (9,243) | 10,829 | (20,072) |
| Ordinary profit | 16 | 190,962 | (162,275) | 353,237 |
| Extraordinary income (loss) | 17 | (407) | 2,496 | (2,903) |
| Impairment loss | 18 | (1,331) | 1,874 | (3,205) |
| Recoveries of written-off claims | 19 | 924 | 538 | 386 |
| Income before income taxes | 20 | 190,555 | (159,779) | 350,334 |
| Income taxes-current | 21 | (46,433) | 7,518 | (53,951) |
| Income taxes-deferred | 22 | (15,790) | 73,480 | (89,270) |
| Minority interests in income | 23 | (45,051) | (8,532) | (36,519) |
| Net income | 24 | 83,281 | (87,311) | 170,592 |

(Note) Consolidated gross profit = (Interest income - interest expenses) + Trust fees + (Fees and commissions (income) - Fees and commissions (expenses)) + (Trading profits - Trading losses) + (Other ordinary income - Other ordinary expenses)

| | | | | |
|--------------------------|----|-----------|-----------|-----------|
| Total credit cost (8+19) | 25 | (302,124) | (159,020) | (143,104) |
|--------------------------|----|-----------|-----------|-----------|

(Reference)

(Billions of yen)

| | | | | |
|----------------------------------|----|-------|--------|-------|
| Consolidated net business profit | 26 | 410.0 | (89.6) | 499.6 |
|----------------------------------|----|-------|--------|-------|

(Note) Consolidated net business profit = (SMBC Non-consolidated banking profit (before provision of allowance for general loan losses)) + (Other consolidated subsidiaries' ordinary profit (excluding non-recurring items)) + (Affiliates' ordinary profit) X (Ownership ratio) - (Internal transaction (dividends, etc.))

(Number of consolidated subsidiaries and affiliates)

| | | Sep. 30, 2008 | Change | Mar. 31, 2008 |
|---|----|---------------------------|--------|---------------|
| | | Consolidated subsidiaries | 27 | 282 |
| Affiliated companies accounted for by equity method | 28 | 76 | 2 | 74 |

2. Banking Profit per Employee / Overhead Ratio <SMBC Non-consolidated>

(Millions of yen, %)

| | Six months ended | | Six months ended Sep. 30, 2007 |
|---|------------------|------------|-----------------------------------|
| | Sep. 30, 2008 | Change | |
| (1) Banking profit (provision of allowance for general loan losses) | 378,486 | (12,418) | 390,904 |
| Per employee (thousands of yen) | 18,036 | (3,769) | 21,805 |
| (2) Banking profit | 374,757 | (8,362) | 383,119 |
| Per employee (thousands of yen) | 17,858 | (3,513) | 21,371 |
| (3) Banking profit (provision of allowance for general loan losses, excluding gain (loss) on bonds) | 383,047 | (14,106) | 397,153 |
| Per employee (thousands of yen) | 18,253 | (3,900) | 22,153 |
| Overhead ratio | 48.5 | 2.9 | 45.6 |

(Notes) 1. Employees include executive officers (other than board members) and overseas local staff, and exclude temporary staff, employees temporarily transferred from other companies, and transferred staff to other companies.

2. Banking profit per employee is calculated on the basis of the average number of employees during the period.

3. Overhead ratio = Expenses (excluding non-recurring losses) / Gross banking profit

3. Interest Spread (Domestic) <SMBC Non-consolidated>

(%)

| | Six months ended | | | | Six months ended Sep. 30, 2007 |
|---|-------------------------------------|-------------------------------------|---------------|--------|-----------------------------------|
| | Three months ended Jun. 30, 2008 | Three months ended Sep. 30, 2008 | Sep. 30, 2008 | Change | |
| Yield on interest earning assets (A) | | | 1.76 | (0.02) | 1.78 |
| Interest earned on loans and bills discounted (C) | 2.02 | 2.01 | 2.01 | 0.01 | 2.00 |
| Interest earned on securities | | | 1.20 | (0.17) | 1.37 |
| Total cost of funding (including expenses) (B) | | | 1.29 | 0.08 | 1.21 |
| Cost of interest bearing liabilities | | | 0.39 | 0.03 | 0.36 |
| Interest paid on deposits, etc. (D) | 0.25 | 0.26 | 0.26 | 0.04 | 0.22 |
| Interest paid on other liabilities | | | 0.66 | (0.05) | 0.71 |
| Expense ratio | | | 0.90 | 0.05 | 0.85 |
| Overall interest spread (A) - (B) | | | 0.47 | (0.10) | 0.57 |
| Interest spread (C) - (D) | 1.77 | 1.75 | 1.75 | (0.03) | 1.78 |

4. Gain (Loss) on Securities <SMBC Non-consolidated>

(Millions of yen)

| | Six months ended | | Six months ended Sep. 30, 2007 |
|-----------------------|------------------|----------|-----------------------------------|
| | Sep. 30, 2008 | Change | |
| Gain (loss) on bonds | (4,560) | 1,689 | (6,249) |
| Gain on sales | 42,566 | 21,712 | 20,854 |
| Loss on sales | (42,433) | (36,250) | (6,183) |
| Gain on redemption | 43 | 31 | 12 |
| Loss on redemption | (925) | 4,057 | (4,982) |
| Loss on devaluation | (3,812) | 12,136 | (15,948) |
| Gain (loss) on stocks | (17,184) | 86,632 | (103,816) |
| Gain on sales | 5,412 | (2,812) | 8,224 |
| Loss on sales | (587) | (41) | (546) |
| Loss on devaluation | (22,009) | 89,485 | (111,494) |

5. Unrealized Gain (Loss) on Securities

(1) Evaluation method of securities

| | | |
|--|----------------------|---|
| Trading purpose | | Fair value method (net valuation gain (loss) are recognized in income statement) |
| Held-to-maturity purpose | | Amortized cost method |
| Other securities | With market value | Fair value method (net valuation gain (loss) are directly included in Net assets) |
| | Without market value | Cost method or amortized cost method |
| Investments in subsidiaries and affiliates | | Cost method |

(Note) Securities in money held in trust are valued by the same method as above.

(2) Unrealized gain (loss)

<SMBC Non-consolidated>

(Millions of yen)

| | Sep. 30, 2008 | | | | Mar. 31, 2008 | | |
|---------------------------------------|----------------------------|-----------|---------|-----------|----------------------------|-----------|-----------|
| | Net unrealized gain (loss) | | | | Net unrealized gain (loss) | | |
| | (a) | (a) - (b) | Gain | Loss | (b) | Gain | Loss |
| Held-to-maturity purpose | 7,098 | (9,977) | 10,554 | (3,455) | 17,075 | 18,373 | (1,298) |
| Stocks of subsidiaries and affiliates | (48,991) | (50,045) | - | (48,991) | 1,054 | 14,885 | (13,831) |
| Other securities | 629,812 | (125,937) | 859,499 | (229,686) | 755,749 | 1,030,778 | (275,029) |
| Stocks | 782,453 | (153,871) | 844,586 | (62,133) | 936,324 | 992,665 | (56,341) |
| Bonds | (56,468) | 73,040 | 629 | (57,098) | (129,508) | 15,579 | (145,087) |
| Others | (96,172) | (45,105) | 14,283 | (110,455) | (51,067) | 22,533 | (73,600) |
| Other money held in trust | (136) | (107) | - | (136) | (29) | - | (29) |
| Total | 587,784 | (186,065) | 870,054 | (282,269) | 773,849 | 1,064,037 | (290,188) |
| Stocks | 733,462 | (203,916) | 844,586 | (111,124) | 937,378 | 1,007,551 | (70,172) |
| Bonds | (49,369) | 63,063 | 11,184 | (60,554) | (112,432) | 33,952 | (146,385) |
| Others | (96,308) | (45,212) | 14,283 | (110,591) | (51,096) | 22,533 | (73,630) |

(Notes) 1. The figures above include unrealized gain (loss) on negotiable certificates of deposit in 'Cash and due from banks & Deposits with banks' etc.

2. Unrealized gain (loss) of stocks (excluding stocks of subsidiaries and affiliates) are calculated with the average market price during the final month of the interim period. Rest of the securities are valued at market prices as of the balance sheet date.

3. Other securities and Other money held in trust are valued and recorded on the balance sheet at market prices. Unrealized gain (loss) indicate the difference between the acquisition costs (or amortized costs) and the balance sheet amounts.

4. Floating-rate Japanese government bonds which SMBC held as Other securities had been carried on the balance sheet at market values. From the six months ended September 30, 2008, such bonds have been carried at their reasonably estimated amounts in accordance with the "Practical Solution on Measurement of Fair Value of Financial Assets" (Accounting Standard Board of Japan Practical Issues Task Force No. 25, issued on October 28, 2008). As a result of this accounting change, compared with the former accounting method, "Securities" and "Valuation difference on available-for-sale securities" increased by JPY 147,919 million and JPY 87,819 million, respectively, and "Deferred tax assets" decreased by JPY 60,099 million.

<Consolidated>

(Millions of yen)

| | Sep. 30, 2008 | | | | Mar. 31, 2008 | | |
|---------------------------|----------------------------|-----------|---------|-----------|----------------------------|-----------|-----------|
| | Net unrealized gain (loss) | | | | Net unrealized gain (loss) | | |
| | (a) | (a) - (b) | Gain | Loss | (b) | Gain | Loss |
| Held-to-maturity purpose | 6,289 | (10,466) | 10,554 | (4,264) | 16,755 | 18,379 | (1,623) |
| Other securities | 619,540 | (125,880) | 871,503 | (251,963) | 745,420 | 1,042,530 | (297,109) |
| Stocks | 785,663 | (150,565) | 853,934 | (68,271) | 936,228 | 999,414 | (63,186) |
| Bonds | (59,514) | 73,378 | 2,579 | (62,093) | (132,892) | 18,645 | (151,537) |
| Others | (106,608) | (48,693) | 14,989 | (121,598) | (57,915) | 24,469 | (82,385) |
| Other money held in trust | (136) | (107) | - | (136) | (29) | - | (29) |
| Total | 625,694 | (136,452) | 882,058 | (256,363) | 762,146 | 1,060,909 | (298,763) |
| Stocks | 785,663 | (150,565) | 853,934 | (68,271) | 936,228 | 999,414 | (63,186) |
| Bonds | (52,881) | 63,063 | 13,133 | (66,014) | (115,944) | 37,025 | (152,969) |
| Others | (107,087) | (48,950) | 14,989 | (122,077) | (58,137) | 24,469 | (82,607) |

(Notes) 1. The figures above include unrealized gain (loss) on negotiable certificates of deposit in 'Cash and due from banks & Deposits with banks' etc.

2. Unrealized gain (loss) of stocks are mainly calculated with the average market price during the final month of the interim period. Rest of the securities are valued at market prices as of the balance sheet date.

3. Other securities and Other money held in trust are valued and recorded on the balance sheet at market prices. Unrealized gain (loss) indicate the difference between the acquisition costs (or amortized costs) and the balance sheet amounts.

4. Floating-rate Japanese government bonds which SMFG held as Other securities had been carried on the consolidated balance sheet at market values. From the six months ended September 30, 2008, such bonds have been carried at their reasonably estimated amounts in accordance with the "Practical Solution on Measurement of Fair Value of Financial Assets" (Accounting Standard Board of Japan Practical Issues Task Force No. 25, issued on October 28, 2008). As a result of this accounting change, compared with the former accounting method, "Securities," "Valuation difference on available-for-sale securities" and "Minority interests" increased by JPY 153,847 million, JPY 88,504 million and JPY 3,287 million, respectively, and "Deferred tax assets" decreased by JPY 62,055 million.

6. Redemption Schedule of Other Securities <SMBC Non-consolidated>

Redemption schedule of other securities with maturities and bonds classified as held-to-maturity

(Billions of yen)

| | Sep. 30, 2008 | | | | | Mar. 31, 2008 | | | | |
|---------------------------------|----------------|-----------------------------|-------------------------------|--------------------|----------|----------------|-----------------------------|-------------------------------|--------------------|----------|
| | 1 year or less | More than 1 year to 5 years | More than 5 years to 10 years | More than 10 years | Total | 1 year or less | More than 1 year to 5 years | More than 5 years to 10 years | More than 10 years | Total |
| Bonds | 1,891.9 | 6,639.3 | 1,429.8 | 1,652.4 | 11,613.6 | 2,051.0 | 7,334.1 | 1,569.8 | 1,681.5 | 12,636.6 |
| Japanese government bonds | 1,512.1 | 4,178.2 | 611.2 | 1,610.3 | 7,911.9 | 1,637.3 | 5,087.7 | 439.0 | 1,635.0 | 8,799.2 |
| Japanese local government bonds | 25.0 | 185.7 | 78.1 | 0.0 | 288.9 | 64.0 | 114.0 | 152.6 | 0.3 | 331.1 |
| Japanese corporate bonds | 354.7 | 2,275.3 | 740.5 | 42.0 | 3,412.6 | 349.5 | 2,132.4 | 978.0 | 46.1 | 3,506.1 |
| Others | 540.5 | 3,075.4 | 561.5 | 363.6 | 4,541.1 | 579.5 | 3,755.9 | 560.5 | 386.5 | 5,282.5 |
| Total | 2,432.4 | 9,714.7 | 1,991.4 | 2,016.0 | 16,154.8 | 2,630.5 | 11,090.0 | 2,130.3 | 2,068.1 | 17,919.1 |

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

<SMBC Non-consolidated>

(Billions of yen)

| | Sep. 30, 2008 | | | | Mar. 31, 2008 | | | |
|---------------------|---------------|-----------------|----------------------|--------------------------|---------------|-----------------|----------------------|--------------------------|
| | Assets (a) | Liabilities (b) | Net assets (a) - (b) | Net deferred gain (loss) | Assets (c) | Liabilities (d) | Net assets (c) - (d) | Net deferred gain (loss) |
| Interest rate swaps | 1.3 | 70.1 | (68.8) | (200.7) | 17.9 | 62.4 | (44.5) | (131.2) |
| Currency swaps | 30.5 | 2.2 | 28.3 | 8.9 | 26.3 | 1.3 | 25.0 | 0.4 |
| Others | 3.0 | 1.5 | 1.5 | 44.5 | 3.1 | 0.8 | 2.3 | 65.6 |
| Total | 34.8 | 73.8 | (39.0) | (147.3) | 47.3 | 64.5 | (17.2) | (65.2) |

(Notes) 1. Derivative transactions are valued at fair value on the balance sheet.

2. SMBC applied deferred hedge or fair value hedge accounting based on Practical Guidelines for Accounting Standard for Financial Instrument as well as deferred hedge accounting for banking industry based on JICPA Industry Audit Committee Report No.24 and No.25.

3. Figures for Net deferred gain (loss) are those before application of tax effect accounting.

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

(Billions of yen)

| | Sep. 30, 2008 | | | | Mar. 31, 2008 | | | |
|---|----------------|-----------------------------|-------------------|----------|----------------|-----------------------------|-------------------|----------|
| | 1 year or less | More than 1 year to 5 years | More than 5 years | Total | 1 year or less | More than 1 year to 5 years | More than 5 years | Total |
| Receivable fixed rate /payable floating rate | 4,726.3 | 12,862.7 | 3,346.6 | 20,935.6 | 6,090.1 | 10,350.3 | 3,289.7 | 19,730.1 |
| Receivable floating rate /payable fixed rate | 1,186.9 | 7,066.0 | 4,356.6 | 12,609.5 | 938.3 | 5,668.6 | 4,440.6 | 11,047.5 |
| Receivable floating rate /payable floating rate | - | 50.5 | - | 50.5 | 0.2 | 50.5 | - | 50.7 |
| Total contract amount | 5,913.2 | 19,979.2 | 7,703.2 | 33,595.6 | 7,028.6 | 16,069.4 | 7,730.3 | 30,828.3 |

8. Employee Retirement Benefits

(1) Projected benefit obligation

| | | Six months ended | | Six months ended Sep. 30, 2007 |
|---|-------------|-------------------|-----------|-----------------------------------|
| | | Sep. 30, 2008 | Change | |
| <SMBC Non-consolidated> | | (Millions of yen) | | |
| Projected benefit obligation* | (A) | 839,583 | (1,901) | 841,484 |
| <Discount rate> | | <2.5%> | < - > | <2.5%> |
| Fair value of plan assets* | (B) | 938,244 | (211,779) | 1,150,023 |
| Reserve for employee retirement benefits* | (C) | - | - | - |
| Prepaid pension cost* | (D) | 209,071 | 33,227 | 175,844 |
| Unrecognized prior service cost (deductible from the obligation)* | (E) | (36,831) | 11,084 | (47,915) |
| Unrecognized actuarial net gain (loss)* | (A-B-C+D-E) | 147,241 | 232,020 | (84,779) |

*As of the beginning of the term

| | | Six months ended | | Six months ended Sep. 30, 2007 |
|---|-------------|-------------------|-----------|-----------------------------------|
| | | Sep. 30, 2008 | Change | |
| (Reference) <Consolidated> | | (Millions of yen) | | |
| Projected benefit obligation* | (A) | 919,082 | 8,943 | 910,139 |
| Fair value of plan assets* | (B) | 975,920 | (210,140) | 1,186,060 |
| Reserve for employee retirement benefits* | (C) | 38,701 | 4,277 | 34,424 |
| Prepaid pension cost* | (D) | 212,370 | 34,188 | 178,182 |
| Unrecognized prior service cost (deductible from the obligation)* | (E) | (37,118) | 11,139 | (48,257) |
| Unrecognized actuarial net gain (loss)* | (A-B-C+D-E) | 153,949 | 237,854 | (83,905) |

*As of the beginning of the term

(2) Pension expenses

| | | Six months ended | | Six months ended Sep. 30, 2007 |
|--|--|-------------------|--------|-----------------------------------|
| | | Sep. 30, 2008 | Change | |
| <SMBC Non-consolidated> | | (Millions of yen) | | |
| Pension expenses | | 12,812 | 13,526 | (714) |
| Service cost | | 7,824 | 138 | 7,686 |
| Interest cost on projected benefit obligation | | 10,494 | (24) | 10,518 |
| Expected returns on plan assets | | (15,281) | 473 | (15,754) |
| Amortization of unrecognized prior service cost | | (5,542) | - | (5,542) |
| Amortization of unrecognized actuarial net gain (loss) | | 15,050 | 13,106 | 1,944 |
| Others | | 267 | (165) | 432 |

| | | Six months ended | | Six months ended Sep. 30, 2007 |
|----------------------------|--|-------------------|--------|-----------------------------------|
| | | Sep. 30, 2008 | Change | |
| (Reference) <Consolidated> | | (Millions of yen) | | |
| Pension expenses | | 17,377 | 14,289 | 3,088 |

9. Capital Ratio

<Consolidated>

(Billions of yen, %)

| | Sep. 30, 2008 (a) | | | Mar. 31, 2008 | Sep. 30, 2007 |
|-----------------------------------|-------------------|-----------|-----------|---------------|---------------|
| | [Preliminary] | (a) - (b) | (a) - (c) | (b) | (c) |
| (1) Capital ratio | 10.25 | (0.31) | (0.35) | 10.56 | 10.60 |
| Tier I ratio | 7.08 | 0.14 | 0.75 | 6.94 | 6.33 |
| (2) Tier I | 4,491.3 | 109.8 | 422.0 | 4,381.5 | 4,069.3 |
| (3) Tier II | 2,746.8 | (275.1) | (734.6) | 3,021.9 | 3,481.4 |
| (4) Subtraction items | 731.0 | (6.8) | (7.3) | 737.8 | 738.3 |
| (5) Total capital (2) + (3) - (4) | 6,507.1 | (158.4) | (305.3) | 6,665.5 | 6,812.4 |
| (6) Risk-adjusted assets | 63,432.5 | 315.2 | (818.6) | 63,117.3 | 64,251.1 |
| (7) Required Capital (6)X8% | 5,074.6 | 25.2 | (65.5) | 5,049.4 | 5,140.1 |

<SMBC consolidated>

(%)

| | | | | | |
|--------------------------------|-------|--------|--------|-------|-------|
| Capital ratio (BIS Guidelines) | 11.90 | (0.29) | (0.15) | 12.19 | 12.05 |
|--------------------------------|-------|--------|--------|-------|-------|

<SMBC Non-consolidated>

(%)

| | | | | | |
|--------------------------------|-------|--------|--------|-------|-------|
| Capital ratio (BIS Guidelines) | 12.50 | (0.17) | (0.15) | 12.67 | 12.65 |
|--------------------------------|-------|--------|--------|-------|-------|

10. ROE <Consolidated>

(%)

| | Six months ended Sep. 30, 2008 (a) | | | FY2007 | Six months ended Sep. 30, 2007 |
|-----------------------------|------------------------------------|-----------|-----------|--------|--------------------------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| ROE (numerator: Net income) | 4.9 | (8.3) | (4.4) | 13.2 | 9.3 |

(Note)

$$\text{ROE} = \frac{(\text{Net income} - \text{Dividends on preferred stocks}) \times (\text{number of days in a year}) / (\text{number of days in the relevant period})}{\begin{aligned} & \{[(\text{Net assets at beginning of period}) - (\text{Number of preferred shares outstanding at beginning of period}) \times (\text{Issue price}) \\ & - (\text{Stock acquisition rights at beginning of period}) - (\text{Minority interests at beginning of period})] + [(\text{Net assets at end of period}) \\ & - (\text{Number of preferred shares outstanding at end of period}) \times (\text{Issue price}) - (\text{Stock acquisition rights at end of period}) \\ & - (\text{Minority interests at end of period})]\} / 2} \times 100 \end{aligned}}$$

(%)

| | Six months ended Sep. 30, 2008 (a) | | | FY2007 | Six months ended Sep. 30, 2007 |
|-------------------------------------|------------------------------------|-----------|-----------|--------|--------------------------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Diluted ROE (numerator: Net income) | 4.7 | (7.6) | (4.1) | 12.3 | 8.8 |

(Note)

$$\text{Diluted ROE} = \frac{(\text{Net income}) \times (\text{number of days in a year}) / (\text{number of days in the relevant period})}{\begin{aligned} & \{[(\text{Net assets at beginning of period}) - (\text{Stock acquisition at beginning of period}) - (\text{Minority interests at beginning of period})] \\ & + [(\text{Net assets at end of period}) - (\text{Stock acquisition rights at end of period}) - (\text{Minority interests at end of period})]\} / 2} \times 100 \end{aligned}}$$

11. Classification under Self-Assessment, Disclosure of Problem Assets, and Write-Offs / Reserves <SMBC Non-consolidated>

< As of Sep. 30, 2008 >

(Billion of yen)

| Category of Borrowers under Self-Assessment | Problem Assets based on the Financial Reconstruction Law | Classification under Self-Assessment | | | | Reserve for possible loan losses | Reserve Ratio | |
|--|---|---|------------------------------------|--|---|---------------------------------------|-----------------|------|
| | | Classification I | Classification II | Classification III | Classification IV | | | |
| Bankrupt Borrowers | Bankrupt and Quasi-Bankrupt Assets 269.1 (i) (Change from Mar. 31, 2008: +151.3) | Portion of claims secured by collateral or guarantees, etc. 251.3 (a) | Fully reserved 17.8 | Direct Write-Offs (*1) | Specific Reserve | 22.9 (*2) | 100% (*3) | |
| Effectively Bankrupt Borrowers | | | | | | | | |
| Potentially Bankrupt Borrowers | Doubtful Assets 525.8 (ii) (Change from Mar. 31, 2008: +123.8) | Portion of claims secured by collateral or guarantees, etc. 276.7 (b) | Necessary amount reserved 249.1 | | Specific Reserve | 181.5 (*2) | 72.86% (*3) | |
| Borrowers Requiring Caution | Substandard Loans 282.0 (iii) (Change from Mar. 31, 2008: (2.1)) (Claims to Substandard Borrowers) | Portion of Substandard Loans secured by collateral or guarantees, etc. 114.1 (c) | | | | | General Reserve | 74.7 |
| | Normal Assets 65,343.4 | Claims to Borrowers Requiring Caution, excluding claims to Substandard Borrowers | | | 5.97% [10.38%] (*4) | | | |
| Normal Borrowers | | Claims to Normal Borrowers | | | General Reserve | 434.6 | 0.22% (*4) | |
| | | | | | | | | |
| | | | | | Loan loss Reserve for Specific Overseas Countries | 0.0 | | |
| Total 66,420.3 (iv) | | Problem asset ratio ((v)/(iv)) 1.62% (+0.38%) (Change from Mar. 31, 2008) | | Total Reserve for possible loan losses 639.0 | | Reserve Ratio (*5) (D/C) 64.20% | | |
| A=(i)+(ii)+(iii) 1,076.9 (v) (Change from Mar. 31, 2008: +273.0) | | B: Portion secured by collateral or guaranteed, etc. (a)+(b)+(c) 642.1 | | C: Unsecured portion (A - B) 434.8 | | Coverage Ratio ((B+D)/A) 85.55% | | |
| | | | | D: Specific Reserve + General Reserve for Substandard Loans 279.1 | | | | |

(*1) Includes amount of direct reduction totaling JPY 446.1 billion.

(*2) Includes reserve for assets that are not subject to disclosure based on the Financial Reconstruction Law standards.
(Bankrupt/Effectively Bankrupt Borrowers: JPY 5.1 billion, Potentially Bankrupt Borrowers: JPY 7.9 billion)

(*3) Reserve ratios for claims on Bankrupt Borrowers, Effectively Bankrupt Borrowers, Potentially Bankrupt Borrowers, Substandard Borrowers and Borrowers Requiring Caution including Substandard Borrowers are the proportion of reserve for the possible loan losses to each category's total claims, excluding the portion secured by collateral or guarantees, etc..

(*4) Reserve ratios for claims on Normal Borrowers and Borrowers Requiring Caution (excluding claims to Substandard Borrowers) are the proportion of the reserve for possible loan losses to the respective claims of each category.

The reserve ratio for unsecured claims on Borrowers Requiring Caution (excluding claims to Substandard Borrowers) is shown in [].

(*5) The proportion of the reserve to the claims, excluding the portion secured by collateral or guarantees, etc.

12. Risk-Monitored Loans

<SMBC Non-consolidated>

(Millions of yen)

| | | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|----------------------|-----------------------------------|---------------|-----------|-----------|---------------|---------------|
| | | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Risk-monitored loans | Bankrupt loans | 166,708 | 117,974 | 129,177 | 48,734 | 37,531 |
| | Non-accrual loans | 580,968 | 143,269 | 193,526 | 437,699 | 387,442 |
| | Past due loans (3 months or more) | 37,655 | 13,908 | 12,830 | 23,747 | 24,825 |
| | Restructured loans | 244,379 | (16,026) | (54,745) | 260,405 | 299,124 |
| | Total | 1,029,713 | 259,126 | 280,789 | 770,587 | 748,924 |

Amount of direct reduction 393,452 102,206 109,199 291,246 284,253

| | | | | | |
|--------------------------------|------------|-----------|-----------|------------|------------|
| Total loans (term-end balance) | 58,541,953 | 1,584,140 | 3,516,247 | 56,957,813 | 55,025,706 |
|--------------------------------|------------|-----------|-----------|------------|------------|

| | | (%) | | | | |
|----------------------|-----------------------------------|-----|-------|-------|-----|-----|
| Ratio to total loans | Bankrupt loans | 0.3 | 0.2 | 0.2 | 0.1 | 0.1 |
| | Non-accrual loans | 1.0 | 0.2 | 0.3 | 0.8 | 0.7 |
| | Past due loans (3 months or more) | 0.1 | 0.1 | 0.1 | 0.0 | 0.0 |
| | Restructured loans | 0.4 | (0.1) | (0.1) | 0.5 | 0.5 |
| | Total | 1.8 | 0.4 | 0.4 | 1.4 | 1.4 |

<Consolidated>

(Millions of yen)

| | | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|----------------------|-----------------------------------|---------------|-----------|-----------|---------------|---------------|
| | | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Risk-monitored loans | Bankrupt loans | 235,546 | 162,074 | 175,642 | 73,472 | 59,904 |
| | Non-accrual loans | 771,896 | 164,670 | 238,571 | 607,226 | 533,325 |
| | Past due loans (3 months or more) | 41,703 | 15,078 | 9,934 | 26,625 | 31,769 |
| | Restructured loans | 366,295 | (19,041) | (75,649) | 385,336 | 441,944 |
| | Total | 1,415,443 | 322,782 | 348,499 | 1,092,661 | 1,066,944 |

Amount of direct reduction 543,651 110,204 109,190 433,447 434,461

| | | | | | |
|--------------------------------|------------|-----------|-----------|------------|------------|
| Total loans (term-end balance) | 63,436,478 | 1,291,604 | 3,242,912 | 62,144,874 | 60,193,566 |
|--------------------------------|------------|-----------|-----------|------------|------------|

| | | (%) | | | | |
|----------------------|-----------------------------------|-----|-----|-------|-----|-----|
| Ratio to total loans | Bankrupt loans | 0.4 | 0.3 | 0.3 | 0.1 | 0.1 |
| | Non-accrual loans | 1.2 | 0.2 | 0.3 | 1.0 | 0.9 |
| | Past due loans (3 months or more) | 0.1 | 0.1 | 0.0 | 0.0 | 0.1 |
| | Restructured loans | 0.6 | 0.0 | (0.1) | 0.6 | 0.7 |
| | Total | 2.2 | 0.4 | 0.4 | 1.8 | 1.8 |

13. Reserve for Possible Loan Losses

<SMBC Non-consolidated> (Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|---|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Reserve for possible loan losses | 638,978 | 18,974 | (49,170) | 620,004 | 688,148 |
| General reserve | 434,649 | 3,730 | (103,943) | 430,919 | 538,592 |
| Specific reserve | 204,328 | 15,244 | 54,773 | 189,084 | 149,555 |
| Loan loss reserve for specific overseas countries | 0 | 0 | 0 | 0 | 0 |
| Amount of direct reduction | 446,096 | 112,285 | 126,624 | 333,811 | 319,472 |

<Consolidated> (Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|---|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Reserve for possible loan losses | 899,914 | 5,212 | (30,663) | 894,702 | 930,577 |
| General reserve | 614,049 | 20,335 | (92,406) | 593,714 | 706,455 |
| Specific reserve | 285,864 | (15,123) | 61,743 | 300,987 | 224,121 |
| Loan loss reserve for specific overseas countries | 0 | 0 | 0 | 0 | 0 |
| Amount of direct reduction | 639,385 | 120,791 | 121,959 | 518,594 | 517,426 |

14. Reserve Ratio to Risk-Monitored Loans

<SMBC Non-consolidated> (%)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|-------------------------|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Before direct reduction | 76.2 | (13.6) | (21.3) | 89.8 | 97.5 |
| After direct reduction | 62.1 | (18.4) | (29.8) | 80.5 | 91.9 |

<Consolidated> (%)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|-------------------------|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Before direct reduction | 78.6 | (14.0) | (17.8) | 92.6 | 96.4 |
| After direct reduction | 63.6 | (18.3) | (23.6) | 81.9 | 87.2 |

(Note) Reserve ratio to risk-monitored loans = (Reserve for possible loan losses) / (Risk-monitored loans)

15. Problem Assets Based on the Financial Reconstruction Law and the Coverage

<SMBC Non-consolidated>

(Millions of yen, %)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|------------------------------------|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Bankrupt and quasi-bankrupt assets | 269,084 | 151,327 | 159,806 | 117,757 | 109,278 |
| Doubtful assets | 525,760 | 123,732 | 185,340 | 402,028 | 340,420 |
| Substandard loans | 282,035 | (2,118) | (41,914) | 284,153 | 323,949 |
| Total (A) | 1,076,881 | 272,942 | 303,232 | 803,939 | 773,649 |
| Normal assets | 65,343,453 | 1,415,313 | 3,378,944 | 63,928,140 | 61,964,509 |
| Total (B) | 66,420,334 | 1,688,254 | 3,682,176 | 64,732,080 | 62,738,158 |
| Problem asset ratio (A/B) | 1.62 | 0.38 | 0.39 | 1.24 | 1.23 |

Amount of direct reduction 446,096 112,285 126,624 333,811 319,472

(Note) Problem Assets Based on the Financial Reconstruction Law include loans, acceptances and guarantees, temporary advance, and other credit-type assets.

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|---|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Total coverage (C) | 921,228 | 273,278 | 300,600 | 647,950 | 620,628 |
| Reserve for possible loan losses* (D) | 279,085 | 1,494 | 26,613 | 277,591 | 252,472 |
| Amount recoverable by guarantees, collateral and others (E) | 642,143 | 271,784 | 273,987 | 370,359 | 368,156 |

(*) Sum of general reserve for Substandard loans and specific reserve.

| | (%) | | | | |
|---|--------|--------|---------|--------|--------|
| Coverage ratio (C) / (A) | 85.55 | 4.95 | 5.33 | 80.60 | 80.22 |
| Coverage ratio calculated with total reserve for possible loan losses included in the numerator | 118.97 | (4.22) | (17.57) | 123.19 | 136.54 |

| | (%) | | | | |
|--|--------|------|---------|--------|--------|
| Reserve ratio to unsecured assets (D) / (A - E) | 64.20 | 0.18 | 1.94 | 64.02 | 62.26 |
| Reserve ratio calculated with total reserve for possible loan losses included in the numerator | 146.98 | 3.98 | (22.73) | 143.00 | 169.71 |

<Consolidated>

(Millions of yen, %)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|------------------------------------|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Bankrupt and quasi-bankrupt assets | 402,225 | 195,591 | 217,571 | 206,634 | 184,654 |
| Doubtful assets | 650,516 | 143,349 | 213,255 | 507,167 | 437,261 |
| Substandard loans | 416,385 | (2,456) | (63,989) | 418,841 | 480,374 |
| Total (A) | 1,469,128 | 336,485 | 366,837 | 1,132,643 | 1,102,291 |
| Normal assets | 70,667,101 | 1,665,147 | 3,164,967 | 69,001,954 | 67,502,134 |
| Total (B) | 72,136,230 | 2,001,633 | 3,531,805 | 70,134,597 | 68,604,425 |
| Problem asset ratio (A/B) | 2.04 | 0.43 | 0.43 | 1.61 | 1.61 |

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|---|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Total coverage (C) | 1,249,880 | 333,970 | 374,898 | 915,910 | 874,982 |
| Reserve for possible loan losses (D) | 325,086 | 5,151 | 26,848 | 319,935 | 298,238 |
| Amount recoverable due to guarantees, collateral and others (E) | 924,794 | 328,819 | 348,050 | 595,975 | 576,744 |

| | (%) | | | | |
|---|--------|--------|---------|--------|--------|
| Coverage ratio (C) / (A) | 85.08 | 4.22 | 5.70 | 80.86 | 79.38 |
| Coverage ratio calculated with total reserve for possible loan losses included in the numerator | 124.20 | (7.41) | (12.54) | 131.61 | 136.74 |

| | (%) | | | | |
|--|--------|--------|---------|--------|--------|
| Reserve ratio to unsecured assets (D) / (A - E) | 59.72 | 0.10 | 2.97 | 59.62 | 56.75 |
| Reserve ratio calculated with total reserve for possible loan losses included in the numerator | 165.32 | (1.39) | (11.75) | 166.71 | 177.07 |

16. Progress in Off-Balancing of Problem Assets <SMBC Non-consolidated>

(Billions of yen)

| | Mar. 31, 2008 | Change in the six months ended Sep. 30, 2008 | Problem assets newly classified during the six months ended Sep. 30, 2008 | Amount of off-balancing | Sep. 30, 2008 |
|---|---------------|--|---|-------------------------|---------------|
| Bankrupt and quasi-bankrupt assets | 117.8 | 151.3 | 168.0 | (16.7) | 269.1 |
| Doubtful assets | 402.0 | 123.8 | 292.1 | (168.3) | 525.8 |
| Total | 519.8 | 275.1 | 460.1 | (185.0) | 794.9 |
| Result of measures connected to off-balancing(*1) | 102.8 | | | | 239.7 |

| Breakdown of off-balancing by factor(*2) | | |
|--|-------------------------------------|---------|
| | | |
| Disposition by borrowers' liquidation | | (6.6) |
| Reconstructive disposition --- (a) | | (7.6) |
| Improvement in debtors' performance due to (a) | | - |
| Loan sales to market | | (34.7) |
| Direct write-offs | | (7.3) |
| Others | | (128.8) |
| | Collection/repayment, etc. | (114.3) |
| | Improvement in debtors' performance | (14.5) |
| Total | | (185.0) |

(*1) The measures connected to off-balancing are legal reorganizations and other similar measures, corporate splits to good companies and bad companies, partial direct write-offs of retail exposure to individuals and small- and medium-sized enterprises, and trusts to RCC for the purpose of revitalization which is scheduled to be off-balanced before the maturity.

(*2) 1. "Disposition by borrowers' liquidation" refers to abandonment or write-off of loans involved in bankruptcy liquidation proceedings (bankruptcy or special liquidations).

2. "Reconstructive disposition" refers to abandonment of loans involved in reconstructive bankruptcy proceedings (corporate reorganization, civil rehabilitation, composition and arrangement), debt forgiveness involved in special mediation or other types of civil mediation, or debt forgiveness for restructuring involved in private reorganization.

17. Loan Portfolio, Classified by Industry <SMBC Non-consolidated>

(1) Loans and bills discounted, classified by industry

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|--|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Domestic offices (excluding offshore banking account) | 48,306,794 | (570,795) | 261,683 | 48,877,589 | 48,045,111 |
| Manufacturing | 5,389,440 | 104,927 | 127,449 | 5,284,513 | 5,261,991 |
| Agriculture, forestry, fisheries, and mining | 104,658 | (33,782) | (26,483) | 138,440 | 131,141 |
| Construction | 1,031,071 | (122,681) | (179,444) | 1,153,752 | 1,210,515 |
| Transportation, communications and public enterprises | 3,029,450 | 137,838 | 240,247 | 2,891,612 | 2,789,203 |
| Wholesale and retail | 4,738,085 | (164,248) | (262,765) | 4,902,333 | 5,000,850 |
| Finance and insurance | 6,134,985 | 51,425 | (5,846) | 6,083,560 | 6,140,831 |
| Real estate | 6,136,716 | (174,277) | (502,613) | 6,310,993 | 6,639,329 |
| Various services | 5,318,838 | (134,862) | (116,338) | 5,453,700 | 5,435,176 |
| Municipalities | 725,924 | (55,018) | 151,502 | 780,942 | 574,422 |
| Others | 15,697,622 | (180,117) | 835,974 | 15,877,739 | 14,861,648 |
| Overseas offices and offshore banking accounts | 10,235,159 | 2,154,935 | 3,254,564 | 8,080,224 | 6,980,595 |
| Public sector | 27,433 | 7,598 | (863) | 19,835 | 28,296 |
| Financial institutions | 1,005,682 | 326,487 | 654,614 | 679,195 | 351,068 |
| Commerce and industry | 8,450,456 | 1,659,527 | 2,213,682 | 6,790,929 | 6,236,774 |
| Others | 751,587 | 161,325 | 387,132 | 590,262 | 364,455 |
| Total | 58,541,953 | 1,584,140 | 3,516,247 | 56,957,813 | 55,025,706 |

Risk-Monitored Loans

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|--|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Domestic offices (excluding offshore banking account) | 940,943 | 238,163 | 270,853 | 702,780 | 670,090 |
| Manufacturing | 86,394 | 19,814 | 33,023 | 66,580 | 53,371 |
| Agriculture, forestry, fisheries, and mining | 14,459 | 10,576 | 11,578 | 3,883 | 2,881 |
| Construction | 83,908 | 9,318 | 42,667 | 74,590 | 41,241 |
| Transportation, communications and public enterprises | 47,624 | 8,268 | (22,492) | 39,356 | 70,116 |
| Wholesale and retail | 119,386 | (1,144) | 16,700 | 120,530 | 102,686 |
| Finance and insurance | 63,899 | 47,740 | 54,809 | 16,159 | 9,090 |
| Real estate | 268,205 | 114,243 | 113,886 | 153,962 | 154,319 |
| Various services | 177,853 | 18,520 | 18,640 | 159,333 | 159,213 |
| Municipalities | - | - | - | - | - |
| Others | 79,213 | 10,831 | 2,043 | 68,382 | 77,170 |
| Overseas offices and offshore banking accounts | 88,769 | 20,962 | 9,935 | 67,807 | 78,834 |
| Public sector | - | - | - | - | - |
| Financial institutions | 36,270 | 36,270 | 36,270 | - | - |
| Commerce and industry | 52,498 | (15,309) | (26,336) | 67,807 | 78,834 |
| Others | - | - | - | - | - |
| Total | 1,029,713 | 259,126 | 280,789 | 770,587 | 748,924 |

(2) Problem assets based on the Financial Reconstruction Law classified by industry, and reserve ratio

(Millions of yen, %)

| | Sep. 30, 2008 | | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|--|------------------|---------------|----------------|----------------|----------------------|----------------------|
| | (a) | Reserve ratio | (a) - (b) | (a) - (c) | | |
| Domestic offices (excluding offshore banking account) | 986,129 | 62.7 | 250,557 | 292,911 | 735,572 | 693,218 |
| Manufacturing | 94,969 | 58.2 | 24,175 | 38,291 | 70,794 | 56,678 |
| Agriculture, forestry, fisheries, and mining | 14,816 | 82.3 | 10,933 | 11,935 | 3,883 | 2,881 |
| Construction | 90,418 | 66.4 | 11,353 | 49,014 | 79,065 | 41,404 |
| Transportation, communications and public enterprises | 49,465 | 58.4 | 8,965 | (21,228) | 40,500 | 70,693 |
| Wholesale and retail | 126,140 | 61.6 | (1,444) | 19,959 | 127,584 | 106,181 |
| Finance and insurance | 65,026 | 68.7 | 47,836 | 54,826 | 17,190 | 10,200 |
| Real estate | 275,723 | 65.7 | 118,392 | 119,201 | 157,331 | 156,522 |
| Various services | 188,334 | 56.6 | 19,383 | 18,673 | 168,951 | 169,661 |
| Municipalities | - | - | - | - | - | - |
| Others | 81,235 | 100.0 | 10,965 | 2,240 | 70,270 | 78,995 |
| Overseas offices and offshore banking accounts | 90,751 | 84.7 | 22,385 | 10,321 | 68,366 | 80,430 |
| Public sector | - | - | - | - | - | - |
| Financial institutions | 37,256 | 100 | 37,256 | 37,256 | - | - |
| Commerce and industry | 53,495 | 84.5 | (14,871) | (26,935) | 68,366 | 80,430 |
| Others | - | - | - | - | - | - |
| Total | 1,076,881 | 64.2 | 272,942 | 303,232 | 803,939 | 773,649 |

(Notes) 1. Problem assets based on the Financial Reconstruction Law include loans, acceptances and guarantees, suspense payments, and other credit-type assets.

2. Reserve ratio = (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to guarantees, collateral and others)

Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

(3) Consumer loans outstanding

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|----------------------|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Consumer loans | 14,688,739 | 106,967 | 246,022 | 14,581,772 | 14,442,717 |
| Housing loans | 13,759,387 | 111,634 | 252,132 | 13,647,753 | 13,507,255 |
| Residential purpose | 10,168,610 | 134,768 | 278,118 | 10,033,842 | 9,890,492 |
| Other consumer loans | 929,351 | (4,667) | (6,110) | 934,018 | 935,461 |

(4) Loans to small- and medium-sized enterprises, etc.

(Millions of yen, %)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|----------------------|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Outstanding balance | 35,648,677 | (480,842) | (689,489) | 36,129,519 | 36,338,166 |
| Ratio to total loans | 73.8 | (0.1) | (1.8) | 73.9 | 75.6 |

(Note) Outstanding balance does not include loans at overseas offices and offshore banking accounts.

18. Loan Portfolio, Classified by Country <SMBC Non-consolidated>

(1) Loans to specific overseas countries

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|---------------------|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Loan balance | 4 | - | 1 | 4 | 3 |
| Number of countries | 1 | - | - | 1 | 1 |

(2) Loans outstanding, classified by major domicile

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|---------------------------|-------------------|------------------|------------------|----------------------|----------------------|
| | (a) | (a) - (b) | (a) - (c) | | |
| Asia | 2,862,159 | 445,947 | 565,337 | 2,416,212 | 2,296,822 |
| Indonesia | 63,172 | 5,802 | 7,331 | 57,370 | 55,841 |
| Thailand | 372,192 | 21,850 | (17,339) | 350,342 | 389,531 |
| Korea | 143,072 | 23,384 | (32,408) | 119,688 | 175,480 |
| Hong Kong | 595,438 | 93,803 | 86,054 | 501,635 | 509,384 |
| China | 633,564 | 130,449 | 206,587 | 503,115 | 426,977 |
| Singapore | 617,216 | 67,350 | 205,716 | 549,866 | 411,500 |
| India | 155,796 | 34,496 | 31,792 | 121,300 | 124,004 |
| Others | 281,705 | 68,812 | 77,606 | 212,893 | 204,099 |
| North America | 3,800,697 | 1,183,897 | 1,250,436 | 2,616,800 | 2,550,261 |
| Central and South America | 807,203 | 192,251 | 271,577 | 614,952 | 535,626 |
| Brazil | 115,543 | 35,308 | 21,214 | 80,235 | 94,329 |
| Panama | 584,271 | 104,304 | 192,632 | 479,967 | 391,639 |
| Others | 107,388 | 52,639 | 57,734 | 54,749 | 49,654 |
| Western Europe | 1,777,167 | 196,524 | 542,144 | 1,580,643 | 1,235,023 |
| Eastern Europe | 497,839 | 159,277 | 309,524 | 338,562 | 188,315 |
| Russia | 405,999 | 141,946 | 266,707 | 264,053 | 139,292 |
| Others | 91,839 | 17,330 | 42,817 | 74,509 | 49,022 |
| Others | 1,029,715 | 137,367 | 392,367 | 892,348 | 637,348 |
| Total | 10,774,782 | 2,315,261 | 3,331,387 | 8,459,521 | 7,443,395 |

(Notes) Classified by domicile of debtors.

(3) Problem assets based on the Financial Reconstruction Law, classified by domicile

(Millions of yen, %)

| | Sep. 30, 2008 | | | | Mar. 31, 2008 (b) | Sep. 30, 2007 (c) |
|---|---------------|---------------|-----------|-----------|----------------------|----------------------|
| | (a) | Reserve ratio | (a) - (b) | (a) - (c) | | |
| Overseas offices and Japan offshore banking accounts | 90,751 | 84.7 | 22,385 | 10,321 | 68,366 | 80,430 |
| Asia | 10,766 | 61.9 | (14,951) | (20,318) | 25,717 | 31,084 |
| Hong Kong | 6,666 | 98.9 | (8,696) | (12,224) | 15,362 | 18,890 |
| China | 1,540 | - | (309) | (370) | 1,849 | 1,910 |
| Others | 2,558 | 59.8 | (5,947) | (7,723) | 8,505 | 10,281 |
| North America | 69,445 | 94.8 | 36,947 | 20,279 | 32,498 | 49,166 |
| Central and South America | - | - | - | - | - | - |
| Western Europe | 51 | 100.0 | (102) | (128) | 153 | 179 |
| Eastern Europe | - | - | - | - | - | - |
| Others | 10,488 | 74.34 | 492 | 10,488 | 9,996 | - |

(Notes) 1. Problem assets based on the Financial Reconstruction Law include loans, acceptances and guarantees, suspense payments, and other credit-type assets.

2. Reserve ratio

= (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to guarantees, collateral and others) × 100

Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

When there is no asset excluding amounts recoverable by guarantees, collateral and others, "-" is recorded.

3. Classified by domicile of debtors.

19. Deposits and Loans <SMBC Non-consolidated>

(1) Deposits and loans outstanding

(Millions of yen, %)

| | Six months ended Sep. 30, 2008 | | | FY2007 | Six months ended Sep. 30, 2007 |
|-----------------------------|--------------------------------|-----------|-----------|------------|--------------------------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Deposits (term-end balance) | 66,918,037 | 500,777 | 538,746 | 66,417,260 | 66,379,291 |
| Deposits (average balance) | 66,619,650 | 639,413 | 151,394 | 65,980,237 | 66,468,256 |
| Domestic units | 57,317,365 | 7,674 | (159,478) | 57,309,691 | 57,476,843 |
| Average yield | 0.24 | 0.02 | 0.03 | 0.22 | 0.21 |
| Loans (term-end balance) | 58,541,953 | 1,584,140 | 3,516,247 | 56,957,813 | 55,025,706 |
| Loans (average balance) | 57,775,858 | 3,526,922 | 4,237,296 | 54,248,936 | 53,538,562 |
| Domestic units | 47,702,930 | 1,027,041 | 1,409,814 | 46,675,889 | 46,293,116 |
| Average yield | 2.01 | (0.03) | 0.01 | 2.04 | 2.00 |

(Note) Deposits do not include "negotiable certificates of deposit."

(2) Deposits outstanding, classified by type of depositor

(Millions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|-------------------|---------------|-------------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Domestic deposits | 63,555,669 | (970,480) | 1,435,677 | 64,526,149 | 62,119,992 |
| Individual | 34,299,041 | 311,122 | 716,952 | 33,987,919 | 33,582,089 |
| Corporate | 29,256,628 | (1,281,602) | 718,725 | 30,538,230 | 28,537,903 |

(Note) Figures are before adjustment on interoffice accounts in transit.

Excludes "negotiable certificates of deposit" and Japan offshore banking accounts.

(Reference)

(Billions of yen)

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|--|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Outstanding balance of investment trusts | 2,882.8 | (267.8) | (894.9) | 3,150.6 | 3,777.7 |
| Balance to individuals | 2,685.1 | (288.9) | (937.5) | 2,974.0 | 3,622.6 |

(Note) Balance of investment trusts is recognized on a contract basis and measured according to each fund's net asset balance at the term-end.

(Billions of yen)

| | Six months ended Sep. 30, 2008 | | Six months ended Sep. 30, 2007 | FY2007 |
|---|--------------------------------|-----------|--------------------------------|---------|
| | (a) | (a) - (b) | (b) | |
| Sales of investment trusts to individuals | 291.6 | (447.8) | 739.4 | 1,151.9 |
| Sales of Pension-type insurance | 183.1 | (27.8) | 210.9 | 389.4 |

20. Other Financial Data <SMBC Non-consolidated>

(1) Debt Forgiveness

(Billions of yen)

| | Six months ended Sep. 30, 2008 |
|--|-----------------------------------|
| Number of companies whose debts have been forgiven | 1 |
| Principal amount forgiven | 0.4 |

(Note) Debt forgiveness associated with legal settlement is not included.

(2) Outstanding Balance and the Amount Sold of Stocks in Other Securities

(Billions of yen)

| | Sep. 30, 2008 | Mar. 31, 2008 |
|----------------------|---------------|---------------|
| Balance sheet amount | 3,072.7 | 3,190.2 |
| Acquisition cost | 2,290.2 | 2,253.9 |

(Billions of yen)

| | Six months ended Sep. 30, 2008 |
|-------------|-----------------------------------|
| Amount sold | approx. (10.0) |

21. Number of Directors and Employees <SMBC Non-consolidated>

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|--------------------------------------|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Directors and auditors ^{*1} | 23 | 3 | 2 | 20 | 21 |
| Executive officers ^{*2} | 62 | 1 | - | 61 | 62 |
| Employees ^{*3} | 22,113 | 4,227 | 4,168 | 17,886 | 17,945 |

(*1) Include those of SMFG.

(*2) Who are not board members

(*3) Include overseas local staff but exclude executive officers, contract employees, and temporary staff.

Number of employees is reported on the basis of full-time workers.

22. Number of Offices <SMBC Non-consolidated>

| | Sep. 30, 2008 | | | Mar. 31, 2008 | Sep. 30, 2007 |
|----------------------------------|---------------|-----------|-----------|---------------|---------------|
| | (a) | (a) - (b) | (a) - (c) | (b) | (c) |
| Domestic branches* | 418 | 2 | 5 | 416 | 413 |
| Domestic sub-branches and agents | 168 | 10 | 12 | 158 | 156 |
| Overseas branches | 19 | - | 1 | 19 | 18 |
| Overseas sub-branches | 6 | - | - | 6 | 6 |
| Overseas representative offices | 16 | 1 | 3 | 15 | 13 |

(Reference)

| | | | | | |
|----------------------------------|---|---|---|---|---|
| Number of offices of SMBC Europe | 4 | - | - | 4 | 4 |
|----------------------------------|---|---|---|---|---|

(*) Branches specialized in receiving money transfers, branches specialized in controlling ATMs in convenience stores, and International Business Operations Department are excluded.

23. Deferred Tax Assets

(1) Deferred Tax Assets on the Balance Sheet

(Billions of yen)

(Reference)
Temporary
differences

| <SMBC Non-consolidated> | | | Sep. 30, 2008 | Change from Mar. 31, 2008 | Change from Sep. 30, 2007 | Mar. 31, 2008 | Sep. 30, 2008 |
|---|-------|----|---------------|------------------------------|------------------------------|---------------|---------------|
| (a) Total deferred tax assets | (b-c) | 1 | 1,085.6 | (8.5) | (221.7) | 1,094.1 | |
| (b) Subtotal of deferred tax assets | | 2 | 1,647.0 | (116.5) | (228.2) | 1,763.5 | 4,017.2 |
| Reserve for possible loan losses | | 3 | 99.6 | 0.3 | (30.2) | 99.3 | 245.1 |
| Write-off of loans | | 4 | 138.1 | 33.5 | 36.2 | 104.6 | 339.8 |
| Taxable write-off of securities | (*3) | 5 | 455.8 | (121.0) | (47.7) | 576.8 | 1,121.9 |
| Reserve for employee retirement benefits | | 6 | 47.8 | 0.7 | (4.4) | 47.1 | 117.7 |
| Depreciation | | 7 | 5.7 | (0.6) | (0.9) | 6.3 | 14.1 |
| Reserve for possible losses on investments | | 8 | 5.9 | 0.7 | 5.9 | 5.2 | 14.5 |
| Net unrealized loss on other securities | | 9 | - | - | - | - | - |
| Net deferred loss on hedges | | 10 | 78.0 | 26.6 | 14.5 | 51.4 | 192.0 |
| Net operating loss carryforwards | | 11 | 755.3 | (58.2) | (206.4) | 813.5 | 1,822.4 |
| Others | (*3) | 12 | 60.8 | 1.5 | 4.8 | 59.3 | 149.7 |
| (c) Valuation allowance | | 13 | 561.5 | (107.9) | (6.4) | 669.4 | |
| (d) Total deferred tax liabilities | | 14 | 227.2 | (43.6) | (304.4) | 270.8 | 806.1 |
| Gain on securities contributed to employee retirement benefits trust | | 15 | 41.6 | - | (0.1) | 41.6 | 102.3 |
| Net unrealized gain on other securities | | 16 | 155.5 | (42.1) | (305.2) | 197.6 | 629.7 |
| Net deferred gain on hedges | | 17 | - | - | - | - | - |
| Others | | 18 | 30.1 | (1.5) | 0.9 | 31.6 | 74.1 |
| Net deferred tax assets (Balance sheet amount) | (a-d) | 19 | 858.4 | 35.1 | 82.7 | 823.3 | |
| Amount corresponding to the deferred tax assets shown in line 10 | (*1) | 20 | 78.0 | 26.6 | 14.5 | 51.4 | 192.0 |
| Amount corresponding to the deferred tax liabilities shown in line 16 | (*2) | 21 | (155.5) | 42.1 | 305.2 | (197.6) | (629.7) |
| Net deferred tax assets excluding the amount shown in line 20 and 21 | | 22 | 935.9 | (33.6) | (237.0) | 969.5 | 2,323.6 |
| Effective income tax rate | | 23 | 40.63% | - | - | 40.63% | |

<Consolidated>

| | | | | | | | |
|--------------------------------|-------|----|---------|-------|-------|---------|--|
| (e) Net deferred tax assets | | 24 | 1,003.2 | 69.7 | 142.9 | 933.5 | |
| (f) Tier I | | 25 | 4,491.3 | 109.8 | 422.0 | 4,381.5 | |
| Net deferred tax assets/Tier I | (e/f) | 26 | 22.3% | 1.0% | 1.2% | 21.3% | |

(*1) Companies may consider net deferred loss on hedges to be collectable, in case they assess the collectability of deferred tax assets on the basis of their future taxable income as stipulated in examples (4) proviso of the practical guidelines on assessing the collectability of deferred tax assets issued by the JICPA. ["Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ Guidance No.8)].

(*2) Deferred tax assets are recognized on the balance sheet on a net basis after offsetting against deferred tax liabilities arising from net unrealized gain on other securities. But the collectability is assessed for the gross deferred tax assets, before offsetting against deferred tax liabilities.

(JICPA Auditing Committee Report No.70 "Auditing Treatment Regarding Application of Tax Effect Accounting to Valuation Differences on Other Securities and Losses on Impairment of Fixed Assets")

(*3) With regard to Deferred tax liability concerning Gain (losses) on other securities taxably disposed in past fiscal years (approximately JPY 100 billion), based on "Q&A on Tax Effect Accounting" released by Accounting System Committee of JACPA on March 29, 2007, the amount is equally deducted from both "Write-off of securities" and "Valuation allowance."

(2) Reason for Recognition of Deferred Tax Assets

(a) Recognition Criteria

Practical Guideline, examples (4) proviso

(1) SMBC has significant tax loss carryforwards resulting from taking the measures described below in order to quickly strengthen its financial base under the prolonged deflationary pressure, and are accordingly judged to be attributable to extraordinary factors. As a result, with regard to temporary differences which are considered to be reversible, SMBC recognized deferred tax assets within the limits of the estimated future taxable income for the period (approximately 5 years) pursuant to the practical guidelines on assessing the collectability of deferred tax assets issued by the JICPA ("Practical Guidelines") (*1).

(a) Disposal of Non-performing Loans

SMBC established internal standards for write-offs and provisions based on self-assessment in accordance with the "Prompt Corrective Action" adopted in fiscal 1998 pursuant to the law concerning the maintenance of sound management of financial institutions (June 1996). SMBC has been aggressively disposing of non-performing loans and bolstering provisions against the risk of asset deterioration under the severe business environment of a prolonged sluggish economy

In addition, pursuant to the government's "Program for Financial Revival" of October 2002, SMBC accelerated the disposal of non-performing loans in order to reduce the problem asset ratio to half by the end of fiscal 2004. As a result, SMBC achieved this target 6 months ahead of schedule, in the first half of fiscal 2004.

In these processes, the amount of taxable disposals of non-performing loans(*2) increased and accumulated. Afterwards, despite of the increased amount of the taxable disposal due to the credit cost, the realized amount of taxable disposals also increased steadily.

(b) Disposal of Unrealized Loss on Stocks

SMBC has been accelerating its effort to reduce stockholdings in order to lower the risk of stock price fluctuations, and to comply, at an early date, with the regulation limiting stockholdings that was adopted in fiscal 2001.

During fiscal 2002, SMBC sold stocks and reduced the balance by approximately ¥1.1 trillion, and also disposed in lump sum unrealized loss on stocks of approximately ¥1.2 trillion by writing off impaired stocks and using the gain on the March 2003 merger. Consequently, SMBC complied with the regulation limiting stockholdings at the end of fiscal 2002, before the deadline.

As a result, the outstanding balance of taxable write-offs of securities (*2) increased temporarily (from approximately ¥0.1 trillion as of March 31, 1999 to approximately ¥1.5 trillion as of March 31, 2003). Afterwards, despite of the increased amount of the taxable disposal resulting from the reducing the balance of the stocks and securities, taxable write-offs of securities carried out in the past are realized through the sales of the securities stocks.

(2) Consequently, tax loss carryforwards (*2) amounted to approximately ¥1.82 trillion as of September 30, 2008, but they are certain to be offset by the end of their carry-over period by the taxable income that will be generated in the future. No material tax loss carryforwards have expired in the past.

(*1) JICPA Auditing Committee Report No.66 "Auditing Treatment Regarding Judgment of Realizability of Deferred Tax Assets"

(*2) Corresponds to "Temporary differences" in the table on the previous page.

(b) Period for Future Taxable Income to be estimated

5 years

(c) Accumulated Amount of Estimated Future Taxable Income before Adjustments for the Next 5 Years

| (Billions of yen) | | |
|---|---|---------------------------|
| | | Estimates of next 5 years |
| Banking profit (before provision of allowance for general loan losses) | 1 | 3,773.7 |
| A Income before income taxes | 2 | 1,873.5 |
| B Adjustments to taxable income (excluding reversal of temporary differences as of Sep. 30, 2008) | 3 | 583.5 |
| C Taxable income before adjustments (A+B) | 4 | 2,457.0 |
| Deferred tax assets corresponding to taxable income before adjustments | 5 | 998.3 |

[Basic Policy]

- (1) Estimate when the temporary differences will be reversed
- (2) Conservatively estimate the taxable income before adjustments for the next 5 years
 - (a) Rationally make earnings projection for up to the ended March 31, 2012 based on the medium-term management plan, "LEAD THE VALUE Plan (up to fiscal 2009)", launched in April 2007.
 - (b) Reduce the earnings projection by reasonable amount, reflecting the uncertainty of the projection.
 - (c) Add the necessary adjustments if any.
- (3) Calculate and record the amount of "deferred tax assets" by multiplying effective tax rate and the taxable income before adjustments estimated above.

(Reference) Income of final return (before deducting operating loss carryforwards) for the last 5 years

(Billions of yen)

| | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | 1st half FY2008 |
|--|-----------|--------|---------|--------|--------|-----------------|
| Income of final return (before deducting operating loss carryforwards) | (1,437.8) | 317.2 | (652.4) | (67.0) | 746.7 | 141.2 |

(Notes) 1. (Income of final return before deduction of operating loss carryforwards)

= (Taxable income before adjustments for each fiscal year) - (Temporary differences to be reversed for each fiscal year)

2. The figures above include amounts arising from "extraordinary factors" that are specified in the Practical Guideline. Taxable income has been reported each year when these amounts are excluded.

3. The figures for September 30, 2008 were estimated in interim closing.

24. Earnings Forecast for FY2008

Sumitomo Mitsui Financial Group, Inc.

<Non-consolidated>

(Billions of yen)

| | FY2008 | | FY2007 |
|------------------|----------|--------|--------|
| | Forecast | Change | Result |
| Operating income | 135.0 | 23.4 | 111.6 |
| Operating profit | 130.0 | 24.6 | 105.4 |
| Ordinary profit | 110.0 | 20.9 | 89.1 |
| Net income | 105.0 | 22.0 | 83.0 |

Dividend per share forecast

(Yen)

| | FY2008 | | FY2007 |
|------------------------|---------|----------------------|------------------|
| | Interim | Annual (Forecast) | Annual Result |
| Common stock | 7,000 | 12,000 | 12,000 |
| Type 4 preferred stock | 67,500 | 135,000 | 135,000 |
| Type 6 preferred stock | 44,250 | 88,500 | 88,500 |

(Note) As announced on May 16, 2008, a 100 for 1 split of common stock will be implemented one day prior to the enforcement of the "Law for Partial Amendment of the Laws Related to Transfer of Bonds, etc., to Streamline Settlement with respect to Transactions Stocks, etc." If the stock split had been implemented at the beginning of the fiscal year, interim and annual common stock dividend per share for the fiscal year ending March 31, 2009 would be JPY 70 and JPY 120, respectively.

(Reference)

(Billions of yen)

| | | | |
|------------------------|------|-------|-------|
| Total dividend planned | 60.1 | 104.7 | 104.9 |
|------------------------|------|-------|-------|

<Consolidated>

(Billions of yen)

| | FY2008 | | FY2007 |
|-----------------|----------|---------|---------|
| | Forecast | Change | Result |
| Ordinary income | 3,700.0 | (923.5) | 4,623.5 |
| Ordinary profit | 480.0 | (351.2) | 831.2 |
| Net income | 180.0 | (281.5) | 461.5 |

(Reference)

Sumitomo Mitsui Banking Corporation

<Non-consolidated>

(Billions of yen)

| | FY2008 | | FY2007 |
|--|----------|---------|---------|
| | Forecast | Change | Result |
| Gross banking profit | 1,510.0 | 25.2 | 1,484.8 |
| Expenses | (710.0) | (44.9) | (665.1) |
| Banking profit (before provision of allowance for general loan losses) | 800.0 | (19.7) | 819.7 |
| Ordinary profit | 320.0 | (190.7) | 510.7 |
| Net income | 160.0 | (45.7) | 205.7 |

| | | | |
|-----------------------|---------|---------|---------|
| Total credit cost (*) | (370.0) | (222.2) | (147.8) |
|-----------------------|---------|---------|---------|

(*) (Provision of allowance for general loan losses) + (Credit cost included in non-recurring losses)

+ (Gains on collection of written-off claims included in Extraordinary income)

(Reference 1) Overview of Medium-term Management Plan, Management Policy in FY2008, and its progress

Overview of Medium-term Management Plan (FY2007 ~ 2009)

Aim for "a globally competitive financial services group with the highest trust" by maximizing our strengths to LEAD THE VALUE

Strategic Initiatives

- Strengthen targeted growth business areas
- Fortify platform for supporting sustainable growth

Management Targets

- Aim for top quality in growth business areas
- Realize solid financial base as a global player
- Increase returns to shareholders (realize payout ratio of more than 20%)

Financial Targets for FY09

- Net income : JPY 650 billion
- Tier I ratio : Approx. 8%
- Net income RORA : Approx. 1%
- Overhead ratio : 40-45% (SMBC non-consolidated)

- ROE (SMFG consolidated): 10-15%

Management Policy and Strategic Initiatives in FY2008:

"Taking a step forward, while coping with uncertainty in business environment"

In order to cope with uncertainty in business environment, SMFG continues to proactively deal with potential generation and expansion of losses in an early stage, allocate limited managerial resources in growth business areas, and consistently pursue its two strategic initiatives in the Medium-term Management Plan: namely, "strengthen targeted growth business areas" and "fortify platform for supporting sustainable growth," aiming to realize medium- and long-term growth.

■ Strengthen targeted growth business areas

<Examples of major initiatives>

Financial consulting for individuals

Strengthen line-up of investment products / Promote branch openings in Tokai area etc.

Payment & settlement services,
Consumer finance

Established SMFG Card & Credit, an intermediate holding company of credit card business (2008/10) / Promote collaboration with Promise

Solution providing for corporations/
Investment banking

Improve capability to provide solutions for clients' management issues / Promote collaboration with Daiwa Securities SMBC

Focused business areas in global markets

Prepare to establish a subsidiary in China / Reinforce products with competitive edge / Promote strategic alliances with Barclays PLC and commercial banks in Asia

■ Fortify platform for supporting sustainable growth

Strengthen compliance

Improve risk management

Reinforce CS and quality management

Explore listing on the New York Stock Exchange

Major economic assumptions in Financial targets of the Medium-term Management Plan

SMFG had taken a step forward to accomplishing the Medium-term Management Plan in FY2007, as a result of a number of progress in strategic initiatives in the plan. Nevertheless, especially since FY2008, the macro-economic reality has diverged from the original assumptions of "interest rate hikes under steady expansion of economy." Consequently, it has become difficult to accomplish Net income target for FY2009 within the period of the current plan.

On the other hand, SMFG continuously aims for taking a step forward to "realize solid financial base as a global player" targeted in the plan and consistently takes the necessary actions for future growth despite growing uncertainty in domestic and overseas business environment, through persistence of business efficiency with overhead ratio of less than 50% on SMBC non-consolidated basis and steady increase of Tier I ratio.

SMFG will announce its Financial Forecast for FY2009, the last fiscal year of the Medium-term Management Plan in next May, together with the Financial Results of FY2008.

Major economic assumptions under the Medium-term

| Management Plan and the results | Assumption | |
|---------------------------------|------------|-----------|
| | FY08 | 2008/9/30 |
| Nominal GDP Growth (annual) | 2.9% | (0.6%) * |
| 3 month TIBOR | 1.12% | 0.88% |
| 10 Year Yen Swap Rate | 2.10% | 1.63% |
| Yen/Dollar Exchange Rate | 115yen | 104yen |

* Estimate of FY08 by the Japan Research Institute as of Nov. '08.

| | 2007/3/31 | 2008/10/27 |
|----------------------|--------------|-------------|
| Nikkei Stock Average | 17,287.65yen | 7,162.90yen |

Trends of Overhead ratio (SMBC non-consolidated) and Tier I ratio

| | Overhead ratio | Tier I ratio |
|--------|----------------|--------------|
| FY06 | 44.9% | 6.42% |
| FY07 | 44.8% | 6.94% |
| 1H, 08 | 48.5% | 7.08% |

(Reference 2) Exposure of Securitized Products

- Managerial accounting basis
- Reserves do not include general reserve for possible loan losses for normal borrowers.

1. Securitized Products

- (1) As of September 30, 2008, the Group held 1.3 billion yen in sub-prime related securitized products after write-offs and provisions. Most parts of the Group's exposure of securitized products other than sub-prime related products are those to Government Sponsored Enterprises ("GSE") etc. (Approx. 250 billion yen).
- (2) The amount of loss on securitized products for the first half of FY2008 was 4.6 billion yen (3.9 billion yen of provisions and write-offs and 0.7 billion yen of losses on sale) for sub-prime related products and 10.9 billion (4.0 billion yen of provisions and write-offs and 6.9 billion yen of losses on sales) for products other than sub-prime, respectively.

(1) Sub-prime related products

<Consolidated>

(Billions of yen)

| | September 30, 2008 | | | | | | March 31, 2008 | | | Ratings of underlying assets, etc. |
|-------------------------------------|--|-----------------------|------------|-----------------------|---|-----------------------|--|------------|---|------------------------------------|
| | Balances (after provisions and write-offs) | Change from Mar. 2008 | Overseas | Change from Mar. 2008 | Net unrealized gain/losses (after write-offs) | | Balances (after provisions and write-offs) | Overseas | Net unrealized gain/losses (after write-offs) | |
| | | | | | | Change from Mar. 2008 | | | | |
| Investments to securitized products | 1.3 | (3.6) | 1.3 | (3.6) | - | - | 4.9 | 4.9 | - | Speculative ratings |
| Warehousing Loans etc. | - | (0.6) | - | (0.6) | - | - | 0.6 | 0.6 | - | |
| Total | 1.3 | (4.2) | 1.3 | (4.2) | - | - | 5.5 | 5.5 | - | |

(Notes)1. Warehousing loans are loans made based on collateral consisting of securitized investment products held by a special-purpose company established for the purpose of securitization.

2. Ratings shown are the lower of those issued by Standard & Poor's ("S&P") and Moody's Investors Service ("Moody's"). Ratings are shown in the ranking employed by S&P.

(2) Products other than sub-prime related

<Consolidated>

(Billions of yen)

| | September 30, 2008 | | | | | | March 31, 2008 | | | Ratings of underlying assets, etc. |
|-------------------------------------|--|-----------------------|--------------|-----------------------|---|-----------------------|--|--------------|---|------------------------------------|
| | Balances (after provisions and write-offs) | Change from Mar. 2008 | Overseas | Change from Mar. 2008 | Net unrealized gain/losses (after write-offs) | | Balances (after provisions and write-offs) | Overseas | Net unrealized gain/losses (after write-offs) | |
| | | | | | | Change from Mar. 2008 | | | | |
| RMBS | 178.2 | (41.6) | 178.2 | (41.6) | (4.4) | (2.8) | 219.8 | 219.8 | (1.6) | |
| Guaranteed by GSE etc. | 178.2 | (41.6) | 178.2 | (41.6) | (4.4) | (2.8) | 219.8 | 219.8 | (1.6) | AAA |
| Cards | 9.6 | (2.9) | 9.6 | (2.9) | (0.4) | 0.2 | 12.5 | 12.5 | (0.6) | A~BBB |
| CLO | 6.7 | (17.2) | 6.7 | (17.2) | (0.5) | 2.5 | 23.9 | 23.9 | (3.0) | |
| Senior | 5.8 | (16.2) | 5.8 | (16.2) | (0.5) | 1.9 | 22.0 | 22.0 | (2.4) | AAA |
| Equity | 0.9 | (1.0) | 0.9 | (1.0) | - | 0.6 | 1.9 | 1.9 | (0.6) | No ratings |
| CMBS | 20.7 | 14.7 | - | - | 0.1 | 0.1 | 6.0 | - | 0.0 | AAA~BBB |
| ABCP | 31.1 | 31.1 | 31.1 | 31.1 | - | - | - | - | - | A1 (short-term rating) |
| Investments to securitized products | 246.3 | (15.9) | 225.6 | (30.6) | (5.2) | 0.0 | 262.2 | 256.2 | (5.2) | |
| Warehousing Loans etc. | 3.4 | (2.5) | 3.4 | (2.5) | - | - | 5.9 | 5.9 | - | |
| Total | 249.7 | (18.4) | 229.0 | (33.1) | (5.2) | 0.0 | 268.1 | 262.1 | (5.2) | |

(Notes)1. GSE etc. includes GNMA, FNMA and FHLMC.

Besides RMBS, SMFG held bonds issued by GSEs (FNMA, FHLMC and Federal Home Loan Banks) of 11.4 billion yen.

2. "Senior" means the upper tranche under senior-subordinate structure.

3. Credit ratings are in principle indicated by the lower of S&P ratings and Moody's ratings.

Notation of credit ratings is followed by the notation system of S&P.

4. SMBC's exposure to subordinated beneficiaries owned through the securitization of SMBC's loan receivables (see next page for details) isn't included.

(Reference)**Subordinated beneficiaries in securitization of SMBC's loans**

Most of the securitized assets are domestic residential mortgage loans with low default rates.

SMBC properly conducts self-assessment and has made the necessary write-offs and provisions for the subordinated beneficiaries.

(Billions of yen)

| | September 30, 2008 | | | | | March 31, 2008 | | | |
|---|--------------------|----------------------|----------|------------------|---------------------------|----------------|----------|------------------|---------------------------|
| | Balances | Change from Mar.2008 | Overseas | Subprime-related | Allowance for loan losses | Balances | Overseas | Subprime-related | Allowance for loan losses |
| Receivables of residential mortgage loans | 247.5 | 2.0 | - | - | - | 245.5 | - | - | - |
| Receivables of loans to corporations | 6.3 | (1.6) | - | - | 1.8 | 7.9 | - | - | 1.5 |
| Total | 253.8 | 0.4 | - | - | 1.8 | 253.4 | - | - | 1.5 |

(Note) No subsidiary other than SMBC has those subordinated beneficiaries mentioned above.

2. Transactions with Monoline Insurance Companies

Monoline insurance companies guarantee payment on underlying or reference assets. Our recognition of profit or loss on the transactions with monoline insurance companies is basically affected by the credit conditions and prices of underlying or reference assets, and is also affected by the credit conditions of monoline insurance companies.

(1) Credit derivatives (Credit Default Swap ["CDS"]) transactions with monoline insurance companies

In CDS^{*1} brokerage transactions, positions are covered through transactions with monoline insurance companies. As of September 30, 2008, the Group's exposure^{*2} to monoline insurance companies, which are rated investment grade, after loss provision totaled approx. 36 billion yen. Reference assets of these CDS transactions are rated investment grade or equivalent, and do not include subprime-related assets. SMFG recorded loss on such transactions of 1.7 billion yen in the 1st half of FY2008.

(*1 Derivatives to hedge credit risks
*2 Mark-to-market value claimable to monoline insurance companies for net loss of reference assets on the settlement)

<Consolidated>

(Billions of yen)

| | September 30, 2008 | | | March 31, 2008 | | September 30, 2008 | | March 31, 2008 |
|--|--------------------|-----------------------|---------------------------|----------------|---------------------------|----------------------------|-----------------------|----------------------------|
| | Net exposure | Change from Mar. 2008 | Allowance for loan losses | Net exposure | Allowance for loan losses | Amount of reference assets | Change from Mar. 2008 | Amount of reference assets |
| Exposure to CDS transactions with monoline insurance companies | 35.8 | 4.7 | 3.9 | 31.1 | 1.9 | 578.3 | 19.2 | 559.1 |

(Notes)1. Excluding figures related to the portion to which SMFG already realized losses in the previous fiscal year

2. The credit ratings of counterparty monoline insurance companies (excluding those to which losses have been realized) : investment grade, most of which are rated equal to or above AA by S&P or Moody

(2) Loans and investments guaranteed by monoline insurance companies etc.

Underlying assets are those of project finance and local government bonds rated investment grade or equivalent, and include no subprime-related assets. We conduct self-assessment to these loans and investments properly.

<Consolidated>

(Billions of yen)

| | September 30, 2008 | | | March 31, 2008 | |
|---|--------------------|-----------------------|---------------------------|----------------|---------------------------|
| | Exposure | Change from Mar. 2008 | Allowance for loan losses | Exposure | Allowance for loan losses |
| Loans and investments guaranteed or insured by monoline insurance companies | 16.7 | (25.0) | - | 41.7 | - |

(Reference) In addition, we had approx. 12 billion yen in commitment contracts (drawn down amount: 1.2 billion yen) to insurance companies with monoline insurance companies as group members.

There are no indications so far that the creditworthiness of these insurance companies are at issue.

3. Leveraged loans

- (1) As of September 30, 2008, the Group's balance of financing for mergers and acquisitions of whole or part of companies was approx. 810 billion yen and undrawn commitments for them was approx. 150 billion yen.
- (2) In providing loans and commitment lines for mergers and acquisitions, we carefully scrutinize stability of cash flow of the borrowers, and, diversify the exposure especially for overseas portfolio in order to reduce concentration risk. At the same time, in credit risk management, we monitor each of such transactions individually, making loss provisions properly, thereby maintaining the quality of both domestic and overseas portfolios.

<Consolidated>

(Billions of yen)

| | September 30, 2008 | | | | | March 31, 2008 | | |
|------------------------|--------------------|----------------------|---------------------|----------------------|---------------------------|----------------|---------------------|---------------------------|
| | Loans | Change from Mar.2008 | Undrawn commitments | Change from Mar.2008 | Allowance for loan losses | Loans | Undrawn commitments | Allowance for loan losses |
| Europe | 334.0 | 8.6 | 49.2 | 38.2 | - | 325.4 | 11.0 | - |
| Japan | 197.3 | (35.0) | 7.6 | (10.3) | 15.2 | 232.3 | 17.9 | 13.7 |
| United States | 189.4 | (6.0) | 85.5 | 4.3 | 1.7 | 195.4 | 81.2 | 1.3 |
| Asia (excluding Japan) | 91.2 | 1.6 | 5.6 | (2.4) | 0.6 | 89.6 | 8.0 | 0.5 |
| Total | 811.9 | (30.8) | 147.9 | 29.8 | 17.5 | 842.7 | 118.1 | 15.5 |

(Notes)1. Above figures include the amount to be sold of approx. 13 billion yen. Loss on sales is expected to be approx. 10% to its face value, currently. In the first half of FY2008, we sold leveraged loans of approx. 73 billion yen, and loss on the sale amounted to approx. 8 billion yen.

2. Above figures do not include leveraged loans which are included in underlying assets of "1. securitized products" shown on page 22.

4. Asset Backed Commercial Paper (ABCP) Programs as Sponsor

- (1) The Group sponsors issuance of ABCP, whose reference assets are such as clients' receivables, in order to fulfill clients' financing needs.
Specifically, as a sponsor, we provide services to special purpose vehicles, which are set up for clients' financing needs, for purchase of claims, financing, issuance and sales of ABCPs. We also provide liquidity and credit supports for such special purpose vehicles.
- (2) As of September 30, 2008, the total notional amount of reference assets of sponsored ABCP programs was approx. 870 billion yen. Most of the reference assets are high-grade claims of corporate clients and do not include subprime loan related assets.
In addition, regarding the exposure of liquidity and credit supports, we properly conducts self-assessment, making provisions and write-offs properly.
- The Group held approx. 30 billion yen of ABCP issued under the program, and they are reported in "ABCP" on page 22.

(Billions of yen)

| Types of reference assets | September 30, 2008 | | | | | March 31, 2008 | | | Support for programs | |
|----------------------------------|-------------------------------------|----------------------|--------------|----------------------|------------|-------------------------------------|--------------|------------|----------------------|----------------|
| | Notional amount of reference assets | Change from Mar.2008 | Overseas | Change from Mar.2008 | Allowance | Notional amount of reference assets | Overseas | Allowance | Liquidity support | Credit support |
| Claims on corporations | 729.0 | (99.6) | 311.9 | 119.6 | 0.0 | 828.6 | 192.3 | 0.1 | yes | yes |
| | 57.0 | (8.4) | - | - | - | 65.4 | - | - | no | no |
| Claims on financial institutions | 51.8 | 11.7 | 51.8 | 11.7 | - | 40.1 | 40.1 | - | yes | yes |
| Retail loan claims | 34.3 | 9.2 | 34.3 | 9.2 | - | 25.1 | 25.1 | - | yes | yes |
| Other claims | 1.8 | (0.3) | 1.8 | (0.3) | - | 2.1 | 2.1 | - | yes | yes |
| Total | 873.9 | (87.4) | 399.8 | 140.2 | 0.0 | 961.3 | 259.6 | 0.1 | | |

(Note) The maximum amount of credit supports provided for overseas ABCP program is limited to 10% of the balance of reference assets.
On the other hand, the maximum amount of credit supports provided for domestic ABCP programs are limited to the balance of 100% of reference assets.

(Reference) In addition, we provide liquidity and credit supports for ABCP programs which are sponsored by other banks.

Total notional amount of reference assets of such programs are approx. 110 billion yen.

5. Others

We have no securities issued by Structured Investment Vehicles.

(Reference 3) Financial Statements of SMBC**1. Balance Sheet (Condensed) <SMBC Non-consolidated>**

(Millions of yen)

| | September 30, 2008 (A) | September 30, 2007 (B) | Change (A-B) | March 31, 2008 (C) | Change (A-C) |
|---|---------------------------|---------------------------|------------------|-----------------------|--------------------|
| Assets | | | | | |
| Cash and due from banks and Deposits with banks | 5,512,854 | 5,689,816 | (176,962) | 4,948,530 | 564,324 |
| Call loans | 465,680 | 943,504 | (477,824) | 362,988 | 102,692 |
| Receivables under resale agreements | 52,689 | 340,745 | (288,056) | 328,544 | (275,855) |
| Receivables under securities borrowing transactions | 394,967 | 1,014,715 | (619,748) | 1,900,294 | (1,505,327) |
| Bills bought | 11,351 | 309,253 | (297,902) | 11,094 | 257 |
| Commercial paper and other debt purchased | 464,819 | 468,404 | (3,585) | 447,538 | 17,281 |
| Trading assets | 3,160,927 | 2,957,227 | 203,700 | 3,638,676 | (477,749) |
| Money held in trust | 8,983 | 2,627 | 6,356 | 7,329 | 1,654 |
| Securities | 20,982,446 | 19,860,123 | 1,122,323 | 22,758,241 | (1,775,795) |
| Loans and bills discounted | 58,541,953 | 55,025,706 | 3,516,247 | 56,957,813 | 1,584,140 |
| Foreign exchanges | 1,047,501 | 876,042 | 171,459 | 836,917 | 210,584 |
| Other assets | 1,995,678 | 1,496,635 | 499,043 | 2,196,999 | (201,321) |
| Tangible fixed assets | 683,073 | 671,833 | 11,240 | 676,072 | 7,001 |
| Intangible fixed assets | 118,430 | 92,013 | 26,417 | 106,469 | 11,961 |
| Deferred tax assets | 858,453 | 775,698 | 82,755 | 823,251 | 35,202 |
| Customers' liabilities for acceptances and guarantees | 4,513,532 | 4,470,981 | 42,551 | 4,665,062 | (151,530) |
| Reserve for possible loan losses | (638,978) | (688,148) | 49,170 | (620,004) | (18,974) |
| Reserve for possible losses on investments | (14,521) | - | (14,521) | (12,801) | (1,720) |
| Total assets | 98,159,845 | 94,307,182 | 3,852,663 | 100,033,020 | (1,873,175) |
| Liabilities | | | | | |
| Deposits | 66,918,037 | 66,379,291 | 538,746 | 66,417,260 | 500,777 |
| Negotiable certificates of deposit | 3,225,677 | 2,462,170 | 763,507 | 2,965,574 | 260,103 |
| Call money | 2,136,313 | 2,210,169 | (73,856) | 2,656,142 | (519,829) |
| Payables under repurchase agreements | 979,331 | 121,012 | 858,319 | 1,825,481 | (846,150) |
| Payables under securities lending transactions | 4,024,211 | 2,727,484 | 1,296,727 | 5,732,042 | (1,707,831) |
| Trading liabilities | 1,759,392 | 1,683,577 | 75,815 | 2,307,304 | (547,912) |
| Borrowed money | 4,060,600 | 4,222,916 | (162,316) | 3,798,333 | 262,267 |
| Foreign exchanges | 319,072 | 339,119 | (20,047) | 301,958 | 17,114 |
| Bonds | 3,408,919 | 3,591,901 | (182,982) | 3,539,110 | (130,191) |
| Due to trust account | 106,932 | 45,893 | 61,039 | 80,796 | 26,136 |
| Other liabilities | 3,217,389 | 2,121,978 | 1,095,411 | 2,178,263 | 1,039,126 |
| Reserve for employee bonuses | 10,968 | 8,654 | 2,314 | 8,857 | 2,111 |
| Reserve for executive bonuses | - | - | - | 496 | (496) |
| Reserve for executive retirement benefits | 4,711 | 4,527 | 184 | 4,800 | (89) |
| Reserve for point service program | 2,238 | 1,615 | 623 | 1,870 | 368 |
| Reserve for reimbursement of deposits | 7,023 | 10,839 | (3,816) | 9,587 | (2,564) |
| Reserve under special law | 0 | 18 | (18) | 0 | - |
| Deferred tax liabilities for land revaluation | 46,599 | 48,728 | (2,129) | 46,827 | (228) |
| Acceptances and guarantees | 4,513,532 | 4,470,981 | 42,551 | 4,665,062 | (151,530) |
| Total liabilities | 94,740,953 | 90,450,881 | 4,290,072 | 96,539,771 | (1,798,818) |
| Net assets | | | | | |
| Capital stock | 664,986 | 664,986 | - | 664,986 | - |
| Capital surplus | 1,367,548 | 1,367,548 | - | 1,367,548 | - |
| Capital reserve | 665,033 | 665,033 | - | 665,033 | - |
| Other capital surplus | 702,514 | 702,514 | - | 702,514 | - |
| Retained earnings | 959,742 | 825,090 | 134,652 | 894,839 | 64,903 |
| Other retained earnings | 959,742 | 825,090 | 134,652 | 894,839 | 64,903 |
| Reserve for losses on overseas investments | 0 | 0 | (0) | 0 | - |
| Voluntary reserve for retirement allowances | 1,656 | 1,656 | - | 1,656 | - |
| Voluntary reserve | 219,845 | 219,845 | - | 219,845 | - |
| Retained earnings brought forward | 738,241 | 603,589 | 134,652 | 673,337 | 64,904 |
| Total stockholders' equity | 2,992,277 | 2,857,625 | 134,652 | 2,927,374 | 64,903 |
| Valuation difference on available-for-sale securities | 474,219 | 1,057,093 | (582,874) | 558,103 | (83,884) |
| Net deferred losses on hedges | (69,272) | (82,394) | 13,122 | (13,787) | (55,485) |
| Land revaluation excess | 21,667 | 23,976 | (2,309) | 21,558 | 109 |
| Total valuation and translation adjustments | 426,614 | 998,675 | (572,061) | 565,874 | (139,260) |
| Total net assets | 3,418,892 | 3,856,300 | (437,408) | 3,493,249 | (74,357) |
| Total liabilities and net assets | 98,159,845 | 94,307,182 | 3,852,663 | 100,033,020 | (1,873,175) |

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

2. Income Statement (Condensed) <SMBC Non-consolidated>

(Millions of yen)

| | Six months ended Sep. 30, 2008 (A) | Six months ended Sep. 30, 2007 (B) | Change (A-B) | FY2007 |
|---|--|--|-----------------|-----------|
| Ordinary income | 1,303,146 | 1,307,652 | (4,506) | 2,933,626 |
| Interest income | 937,566 | 940,051 | (2,485) | 1,866,277 |
| <i>Interest on loans and discounts</i> | 683,171 | 651,660 | 31,511 | 1,326,278 |
| <i>Interest and dividends on securities</i> | 177,147 | 164,013 | 13,134 | 322,287 |
| Trust fees | 1,244 | 2,239 | (995) | 3,710 |
| Fees and commissions | 211,260 | 221,285 | (10,025) | 452,527 |
| Trading profits | 3,889 | 103,277 | (99,388) | 440,985 |
| Other operating income | 140,303 | 28,602 | 111,701 | 121,812 |
| Other income | 8,882 | 12,196 | (3,314) | 48,313 |
| Ordinary expenses | 1,181,038 | 1,149,803 | 31,235 | 2,422,886 |
| Interest expenses | 424,641 | 462,514 | (37,873) | 895,469 |
| <i>Interest on deposits</i> | 170,640 | 238,995 | (68,355) | 426,846 |
| Fees and commissions | 64,178 | 64,128 | 50 | 120,165 |
| Trading losses | 18,596 | - | 18,596 | - |
| Other operating expenses | 51,808 | 50,325 | 1,483 | 384,906 |
| General and administrative expenses | 367,244 | 325,372 | 41,872 | 659,992 |
| Other expenses | 254,568 | 247,462 | 7,106 | 362,353 |
| Ordinary profit | 122,108 | 157,849 | (35,741) | 510,739 |
| Extraordinary income | 883 | 935 | (52) | 11,051 |
| Extraordinary losses | 2,111 | 3,574 | (1,463) | 14,336 |
| Income before income taxes | 120,879 | 155,209 | (34,330) | 507,454 |
| Income taxes, current | 7,152 | 7,210 | (58) | 16,031 |
| Income taxes, deferred | 33,332 | 84,200 | (50,868) | 285,680 |
| Net income | 80,394 | 63,798 | 16,596 | 205,742 |

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

3. Statement of Changes in Net Assets <SMBC Non-consolidated>

Six months ended September 30, 2008

(Millions of yen)

| | Capital stock | Capital surplus | | Retained earnings | | | | Total stockholders' equity |
|--|---------------|-----------------|-----------------------|--|---|-------------------|-----------------------------------|----------------------------|
| | | Capital reserve | Other capital surplus | Other retained earnings | | | | |
| | | | | Reserve for losses on overseas investments | Voluntary reserve for retirement allowances | Voluntary reserve | Retained earnings brought forward | |
| Balance at March 31, 2008 | 664,986 | 665,033 | 702,514 | 0 | 1,656 | 219,845 | 673,337 | 2,927,374 |
| Changes in the six months | | | | | | | | |
| Cash dividends | | | | | | | (15,383) | (15,383) |
| Net income | | | | | | | 80,394 | 80,394 |
| Transfer from land revaluation excess | | | | | | | (108) | (108) |
| Net changes in the items other than stockholders' equity in the six months | | | | | | | | |
| Net changes in the six months | - | - | - | - | - | - | 64,903 | 64,903 |
| Balance at September 30, 2008 | 664,986 | 665,033 | 702,514 | 0 | 1,656 | 219,845 | 738,241 | 2,992,277 |

(Millions of yen)

| | Valuation and translation adjustments | | | | Total net assets |
|--|---|-------------------------------|-------------------------|---|------------------|
| | Net unrealized gain on other securities | Net deferred losses on hedges | Land revaluation excess | Total valuation and translation adjustments | |
| Balance at March 31, 2008 | 558,103 | (13,787) | 21,558 | 565,874 | 3,493,249 |
| Changes in the six months | | | | | |
| Cash dividends | | | | | (15,383) |
| Net income | | | | | 80,394 |
| Transfer from land revaluation excess | | | | | (108) |
| Net changes in the items other than stockholders' equity in the six months | (83,883) | (55,485) | 108 | (139,260) | (139,260) |
| Net changes in the six months | (83,883) | (55,485) | 108 | (139,260) | (74,356) |
| Balance at September 30, 2008 | 474,219 | (69,272) | 21,667 | 426,614 | 3,418,892 |

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

Six months ended September 30, 2007

(Millions of yen)

| | Capital stock | Capital surplus | | Retained earnings | | | | Total stockholders' equity |
|--|---------------|-----------------|-----------------------|--|---|-------------------|-----------------------------------|----------------------------|
| | | Capital reserve | Other capital surplus | Other retained earnings | | | | |
| | | | | Reserve for losses on overseas investments | Voluntary reserve for retirement allowances | Voluntary reserve | Retained earnings brought forward | |
| Balance at March 31, 2007 | 664,986 | 665,033 | 702,514 | 0 | 1,656 | 219,845 | 539,526 | 2,793,563 |
| Changes in the six months | | | | | | | | |
| Net income | | | | | | | 63,798 | 63,798 |
| Transfer from land revaluation excess | | | | | | | 263 | 263 |
| Net changes in the items other than stockholders' equity in the six months | | | | | | | | |
| Net changes in the six months | - | - | - | - | - | - | 64,062 | 64,062 |
| Balance at September 30, 2007 | 664,986 | 665,033 | 702,514 | 0 | 1,656 | 219,845 | 603,589 | 2,857,625 |

(Millions of yen)

| | Valuation and translation adjustments | | | | Total net assets |
|--|---|-------------------------------|-------------------------|---|------------------|
| | Net unrealized gain on other securities | Net deferred losses on hedges | Land revaluation excess | Total valuation and translation adjustments | |
| Balance at March 31, 2007 | 1,259,814 | (84,733) | 24,240 | 1,199,320 | 3,992,884 |
| Changes in the six months | | | | | |
| Net income | | | | | 63,798 |
| Transfer from land revaluation excess | | | | | 263 |
| Net changes in the items other than stockholders' equity in the six months | (202,720) | 2,339 | (263) | (200,645) | (200,645) |
| Net changes in the six months | (202,720) | 2,339 | (263) | (200,645) | (136,583) |
| Balance at September 30, 2007 | 1,057,093 | (82,394) | 23,976 | 998,675 | 3,856,300 |

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

Year ended March 31, 2008

(Millions of yen)

| | Capital stock | Capital surplus | | Retained earnings | | | | Total stockholders' equity |
|--|---------------|-----------------|-----------------------|--|---|-------------------|-----------------------------------|----------------------------|
| | | Capital reserve | Other capital surplus | Other retained earnings | | | | |
| | | | | Reserve for losses on overseas investments | Voluntary reserve for retirement allowances | Voluntary reserve | Retained earnings brought forward | |
| Balance at March 31, 2007 | 664,986 | 665,033 | 702,514 | 0 | 1,656 | 219,845 | 539,526 | 2,793,563 |
| Changes in FY2007 | | | | | | | | |
| Transfer from reserve for losses on overseas investments | | | | (0) | | | 0 | - |
| Cash dividends | | | | | | | (74,613) | (74,613) |
| Net income | | | | | | | 205,742 | 205,742 |
| Transfer from land revaluation excess | | | | | | | 2,681 | 2,681 |
| Net changes in the items other than stockholders' equity in FY2007 | | | | | | | | |
| Net changes in the year | - | - | - | (0) | - | - | 133,810 | 133,810 |
| Balance at March 31, 2008 | 664,986 | 665,033 | 702,514 | 0 | 1,656 | 219,845 | 673,337 | 2,927,374 |

(Millions of yen)

| | Valuation and translation adjustments | | | | Total net assets |
|--|---|-------------------------------|-------------------------|---|------------------|
| | Net unrealized gain on other securities | Net deferred losses on hedges | Land revaluation excess | Total valuation and translation adjustments | |
| Balance at March 31, 2007 | 1,259,814 | (84,733) | 24,240 | 1,199,320 | 3,992,884 |
| Changes in FY2007 | | | | | |
| Transfer from reserve for losses on overseas investments | | | | | - |
| Cash dividends | | | | | (74,613) |
| Net income | | | | | 205,742 |
| Transfer from land revaluation excess | | | | | 2,681 |
| Net changes in the items other than stockholders' equity in FY2007 | (701,711) | 70,946 | (2,681) | (633,445) | (633,445) |
| Net changes in the year | (701,711) | 70,946 | (2,681) | (633,445) | (499,635) |
| Balance at March 31, 2008 | 558,103 | (13,787) | 21,558 | 565,874 | 3,493,249 |

(Note) 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 classified as "Cash and due from banks & Deposits with banks" and beneficiary claims on loan trust and commodity investment trusts classified as "Commercial paper and other debt purchased" is included in the amount below.

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

(Millions of yen)

| | September 30, 2008 | | | | |
|---------------------------------|----------------------|--------------|------------------------------|-----------------|-------------------|
| | Balance sheet amount | Market value | Net unrealized gain (losses) | Unrealized gain | Unrealized losses |
| Japanese government bonds | 1,093,660 | 1,099,428 | 5,768 | 8,850 | 3,082 |
| Japanese local government bonds | 97,262 | 97,314 | 51 | 324 | 273 |
| Japanese corporate bonds | 381,084 | 382,363 | 1,278 | 1,378 | 100 |
| Total | 1,572,007 | 1,579,106 | 7,098 | 10,554 | 3,455 |

(2) Investments in subsidiaries or affiliates with market value

(Millions of yen)

| | September 30, 2008 | | |
|------------------------|----------------------|--------------|------------------------------|
| | Balance sheet amount | Market value | Net unrealized gain (losses) |
| Stocks of subsidiaries | 43,699 | 36,795 | (6,904) |
| Stocks of affiliates | 133,065 | 90,979 | (42,086) |
| Total | 176,765 | 127,774 | (48,991) |

(3) Other securities with market value

(Millions of yen)

| | September 30, 2008 | | | | |
|---------------------------------|--------------------|----------------------|------------------------------|-----------------|-------------------|
| | Acquisition cost | Balance sheet amount | Net unrealized gain (losses) | Unrealized gain | Unrealized losses |
| Stocks | 1,970,387 | 2,752,840 | 782,453 | 844,586 | 62,133 |
| Bonds | 7,288,522 | 7,232,054 | (56,468) | 629 | 57,098 |
| Japanese government bonds | 6,871,260 | 6,818,329 | (52,930) | 488 | 53,419 |
| Japanese local government bonds | 193,760 | 191,672 | (2,087) | 35 | 2,122 |
| Japanese corporate bonds | 223,502 | 222,052 | (1,450) | 106 | 1,556 |
| Other | 4,243,642 | 4,147,470 | (96,172) | 14,283 | 110,455 |
| Total | 13,502,552 | 14,132,365 | 629,812 | 859,499 | 229,686 |

(Notes)

- 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 (impaired) for this term is JPY 11,764 million. 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 not currently bankrupt but perceived to have a high risk of falling into bankrupt
- Issuers requiring caution: Issuers that are identified for close monitoring
- Normal issuers: Issuers other than the above four categories of issuers

- Floating-rate Japanese government bonds which SMFG held as Other securities had been carried on the balance sheet at market values. From the six months ended September 30, 2008, such bonds have been carried at their reasonably estimated amounts in accordance with the "Practical Solution on Measurement of Fair Value of Financial Assets" (Accounting Standard Board of Japan Practical Issues Task Force No. 25, issued on October 28, 2008). As a result of this accounting change, compared with the former accounting method, "Securities" and "Valuation difference on available-for-sale securities" increased by JPY 147,919 million and JPY 87,819 million, respectively, and "Deferred tax assets" decreased by JPY 60,099 million.

(4) Securities with no available market value

(Millions of yen)

| | September 30, 2008 |
|--|--------------------|
| Investments in subsidiaries and affiliates | |
| Stocks of subsidiaries | 1,114,883 |
| Stocks of affiliates | 36,389 |
| Other | 56,279 |
| Other securities | |
| Unlisted stocks (excluding OTC stocks) | 319,845 |
| Unlisted bonds | 2,809,558 |
| Unlisted foreign securities | 698,945 |
| Other | 464,332 |

[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, 2008 | | | | |
|---------------------------|--------------------|----------------------|------------------------------|-----------------|-------------------|
| | Acquisition cost | Balance sheet amount | Net unrealized gain (losses) | Unrealized gain | Unrealized losses |
| Other money held in trust | 7,655 | 7,519 | (136) | - | (136) |

5. Statements of Trust Assets and Liabilities <SMBC Non-consolidated>

(Millions of yen)

| | September 30, 2008 (A) | September 30, 2007 (B) | Change (A-B) | March 31, 2008 (C) | Change (A-C) |
|---|---------------------------|---------------------------|-----------------|-----------------------|-----------------|
| Loans and bills discounted | 222,540 | 4,150 | 218,390 | 223,740 | (1,200) |
| Securities | 349,145 | 285,533 | 63,612 | 273,504 | 75,641 |
| Securities held in custody accounts | 3,412 | 3,274 | 138 | 3,451 | (39) |
| Monetary claims | 620,628 | 660,147 | (39,519) | 571,072 | 49,556 |
| Tangible fixed assets | - | 84 | (84) | 25 | (25) |
| Intangible fixed assets | 126 | - | 126 | - | 126 |
| Other claims | 2,703 | 1,332 | 1,371 | 1,318 | 1,385 |
| Call loans | 225 | - | 225 | 263 | (38) |
| Due from banking account | 106,932 | 45,893 | 61,039 | 80,796 | 26,136 |
| Cash and due from banks | 26,467 | 27,401 | (934) | 20,000 | 6,467 |
| Others | 1,462 | - | 1,462 | 1,540 | (78) |
| Total assets | 1,333,644 | 1,027,818 | 305,826 | 1,175,711 | 157,933 |
| Designated money trusts | 334,953 | 262,943 | 72,010 | 292,193 | 42,760 |
| Specified money trusts | 130,520 | 88,254 | 42,266 | 61,864 | 68,656 |
| Money in trusts other than money trusts | 220,150 | 45 | 220,105 | 223,130 | (2,980) |
| Security trusts | 3,428 | 3,274 | 154 | 3,462 | (34) |
| Monetary claims trusts | 553,396 | 560,068 | (6,672) | 501,920 | 51,476 |
| Composite trusts | 89,732 | 113,230 | (23,498) | 91,600 | (1,868) |
| Other trusts | 1,462 | - | 1,462 | 1,540 | (78) |
| Total liabilities | 1,333,644 | 1,027,818 | 305,826 | 1,175,711 | 157,933 |

(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.