

Exposure of Securitized Products (Sumitomo Mitsui Financial Group (Consolidated))

The figures contained in this section have been compiled on a managerial accounting basis.

1. Securitized Products

As of September 30, 2009, the Group held ¥0.1 billion in sub-prime related securitized products and ¥31.0 billion other than sub-prime related products after write-offs and provisions. Those figures exclude Government Sponsored

Enterprises (“GSE”) etc. The amount of loss on securitized products for the first half of fiscal 2009 was ¥0.1 billion for sub-prime related products and no amount of loss for other than sub-prime related products.

Sub-prime Related Products

(Billions of yen)

	September 30, 2009						March 31, 2009			Ratings of underlying assets, etc.
	Balances (after provisions and write-offs)	Change from Mar. 31, 2009	Overseas	Change from Mar. 31, 2009	Net unrealized gains/losses (after write-offs)	Change from Mar. 31, 2009	Balances (after provisions and write-offs)	Overseas	Net unrealized gains/losses (after write-offs)	
Investments to securitized products	¥0.1	¥(0.2)	¥0.1	¥(0.2)	¥—	¥—	¥0.3	¥0.3	¥—	Speculative ratings
Total	¥0.1	¥(0.2)	¥0.1	¥(0.2)	¥—	¥—	¥0.3	¥0.3	¥—	

Products Other Than Sub-prime Related (Excludes GSE etc.)

(Billions of yen)

	September 30, 2009						March 31, 2009			Ratings of underlying assets, etc.
	Balances (after provisions and write-offs)	Change from Mar. 31, 2009	Overseas	Change from Mar. 31, 2009	Net unrealized gains/losses (after write-offs)	Change from Mar. 31, 2009	Balances (after provisions and write-offs)	Overseas	Net unrealized gains/losses (after write-offs)	
Cards	¥—	¥(4.1)	¥—	¥(4.1)	¥—	¥0.4	¥ 4.1	¥ 4.1	¥(0.4)	
CLO	3.2	(1.9)	3.2	(1.9)	0.0	1.1	5.1	5.1	(1.1)	
Senior	3.1	(1.9)	3.1	(1.9)	(0.3)	0.8	5.0	5.0	(1.1)	AAA
Equity	0.1	(0.0)	0.1	(0.0)	0.3	0.3	0.1	0.1	—	No ratings
CMBS	20.2	(0.6)	—	—	(0.4)	(0.2)	20.8	—	(0.2)	AAA~B
Investments to securitized products	23.4	(6.6)	3.2	(6.0)	(0.4)	1.3	30.0	9.2	(1.7)	
Warehousing loans, etc.	7.6	1.0	7.6	1.0	—	—	6.6	6.6	—	
Total	¥31.0	¥(5.6)	¥10.8	¥(5.0)	¥(0.4)	¥1.3	¥36.6	¥15.8	¥(1.7)	

Notes: 1. “Senior” means the upper tranche under senior-subordinate structure.

2. 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.

3. Credit ratings are in principle indicated by the lower of Standard & Poor’s (“S&P”) ratings and Moody’s Investors Service (“Moody’s”) ratings. Notation of credit ratings follows the notation system of S&P.

4. There is no amount of RMBS (excludes GSE etc.) and ABCP.

5. Excludes GSE and SMBC’s exposure to subordinated beneficiaries owned through the securitization of SMBC’s loan receivables (see below).

<Reference 1>

Government Sponsored Enterprises etc.

(Billions of yen)

	September 30, 2009						March 31, 2009			Ratings, etc.
	Balances	Change from Mar. 31, 2009	Overseas	Change from Mar. 31, 2009	Net unrealized gains/losses	Change from Mar. 31, 2009	Balances	Overseas	Net unrealized gains/losses	
GSE etc.	¥54.0	¥(221.2)	¥54.0	¥(221.2)	¥(0.4)	¥(3.5)	¥275.2	¥275.2	¥3.1	AAA

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 ¥183.4 billion.

2. Credit ratings are in principle indicated by the lower of S&P ratings and Moody’s ratings. Notation of credit ratings follows the notation system of S&P.

3. The amount of gains on sales related to GSE etc. in the first half of fiscal 2009 was ¥2.9 billion.

<Reference 2>

Subordinated Beneficiaries in Securitization of SMBC’s Loans

(Billions of yen)

	September 30, 2009					March 31, 2009			
	Balances	Change from Mar. 31, 2009	Overseas	Sub-prime related	Reserve for possible loan losses	Balances	Overseas	Sub-prime related	Reserve for possible loan losses
Receivables of residential mortgage loans	¥253.1	¥2.3	¥—	¥—	¥—	¥250.8	¥—	¥—	¥—
Receivables of loans to corporations	6.9	(0.2)	—	—	2.7	7.1	—	—	1.5
Total	¥260.0	¥2.1	¥—	¥—	¥2.7	¥257.9	¥—	¥—	¥1.5

Notes: 1. No subsidiary other than SMBC has those subordinated beneficiaries mentioned above.

2. Reserves do not include general reserve for possible loan losses for normal borrowers.

2. Transactions with Monoline Insurance Companies

Credit Derivatives (Credit Default Swap ["CDS"]) Transactions with Monoline Insurance Companies

(Billions of yen)

	September 30, 2009			March 31, 2009	
	Net exposure	Change from Mar. 31, 2009	Reserve for possible loan losses	Net exposure	Reserve for possible loan losses
Exposure to CDS transactions with monoline insurance companies	¥42.2	¥(89.8)	¥1.9	¥132.0	¥5.0

September 30, 2009		March 31, 2009
Amount of reference assets	Change from Mar. 31, 2009	Amount of reference assets
¥487.8	¥(48.9)	¥536.7

Loans and Investments Guaranteed by Monoline Insurance Companies, etc.

(Billions of yen)

	September 30, 2009			March 31, 2009	
	Exposure	Change from Mar. 31, 2009	Reserve for possible loan losses	Exposure	Reserve for possible loan losses
Loans and investments guaranteed or insured by monoline insurance companies	¥14.7	¥2.4	¥0.0	¥12.3	¥0.0

Reference: In addition, we had ¥0.7 billion in commitment contracts (fully-drawn) to insurance companies with monoline insurance as group members.

3. Leveraged Loans

(Billions of yen)

	September 30, 2009					March 31, 2009		
	Loans	Change from Mar. 31, 2009	Undrawn commitments	Change from Mar. 31, 2009	Reserve for possible loan losses	Loans	Undrawn commitments	Reserve for possible loan losses
Europe	¥296.1	¥ (9.9)	¥ 32.8	¥ (1.4)	¥ 1.9	¥306.0	¥ 34.2	¥ 2.8
Japan	177.3	(2.6)	8.3	(20.9)	14.1	179.9	29.2	13.4
United States	133.7	(45.3)	64.2	(5.8)	3.1	179.0	70.0	4.1
Asia (excluding Japan)	80.0	1.2	5.2	1.3	0.1	78.8	3.9	2.3
Total	¥687.1	¥(56.6)	¥110.5	¥(26.8)	¥19.2	¥743.7	¥137.3	¥22.6

Notes: 1. Above figures include the amount to be sold of approximately ¥10 billion.

In the first half of fiscal 2009, we sold leveraged loans of approximately ¥20 billion, and loss on the sale amounted to approximately ¥7 billion.

2. Above figures do not include leveraged loans which are included in underlying assets of "1. Securitized Products."

3. Reserves do not include general reserve for possible loan losses for normal borrowers.

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

(Billions of yen)

Types of reference assets	September 30, 2009					March 31, 2009			Support for programs	
	Notional amount of reference assets	Change from Mar. 31, 2009	Overseas	Change from Mar. 31, 2009	Reserve for possible loan losses	Notional amount of reference assets	Overseas	Reserve for possible loan losses	Liquidity support	Credit support
Claims on corporations	¥390.2	¥(269.7)	¥163.1	¥(49.2)	¥—	¥659.9	¥212.3	¥—	Yes	Yes
Claims on financial institutions	18.1	(1.6)	18.1	(1.6)	—	19.7	19.7	—	Yes	Yes
Retail loan claims	20.5	(7.9)	20.5	(7.9)	—	28.4	28.4	—	Yes	Yes
Other claims	0.2	(0.4)	0.2	(0.4)	—	0.6	0.6	—	Yes	Yes
Total	¥429.0	¥(279.6)	¥201.9	¥(59.1)	¥—	¥708.6	¥261.0	¥—		

Note: Reserves do not include general reserve for possible loan losses for normal borrowers.

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 is approximately ¥51 billion.

5. Others

We have no securities issued by structured investment vehicles.