

Notes to Consolidated Financial Statements

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

Years ended March 31, 2014 and 2013

1. Basis of Presentation

Sumitomo Mitsui Financial Group, Inc. ("SMFG") was established on December 2, 2002 as a holding company for the SMFG group through a statutory share transfer (*kabushiki iten*) of all of the outstanding equity securities of Sumitomo Mitsui Banking Corporation ("SMBC") in exchange for SMFG's newly issued securities. SMFG is a joint stock corporation with limited liability (*Kabushiki Kaisha*) incorporated under the Companies Act of Japan. Upon formation of SMFG and completion of the statutory share transfer, SMBC became a direct wholly owned subsidiary of SMFG.

SMFG has prepared the accompanying consolidated financial statements in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

The accounts of overseas subsidiaries and affiliated companies are, in principle, integrated with those of SMFG's accounting policies for purposes of consolidation unless they apply different accounting principles and standards as required under U.S. GAAP or International Financial Reporting Standards, in which case a certain limited number of items are adjusted based on their materiality.

The accompanying consolidated financial statements have been restructured and translated into English from the consolidated financial statements of SMFG prepared in accordance with Japanese GAAP.

Some supplementary information included in the statutory Japanese language consolidated financial statements, but not necessarily required for fair presentation, is not presented in the accompanying consolidated financial statements.

Amounts less than 1 million yen have been omitted. As a result, the totals in Japanese yen shown in the financial statements do not necessarily agree with the sum of the individual amounts.

The translation of the Japanese yen amounts into U.S. dollars is included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2014, which was ¥102.88 to US\$1. These translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at that rate.

2. Significant Accounting Policies

(1) Consolidation and equity method

(a) Scope of consolidation

Japanese accounting standards on consolidated financial statements require a company to consolidate any subsidiary when the company substantially controls the operations of the enterprise, even if it is not a majority owned subsidiary. Control is defined as the power to govern the decision-making body of an enterprise.

(i) Consolidated subsidiaries

324 companies

Principal companies:

Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Finance and Leasing Company, Limited
SMBC Nikko Securities Inc.
SMBC Friend Securities Co., Ltd.
Sumitomo Mitsui Card Company, Limited

Cedyna Financial Corporation

SMBC Consumer Finance Co., Ltd.

The Japan Research Institute, Limited

THE MINATO BANK, LTD.

Kansai Urban Banking Corporation

Sumitomo Mitsui Banking Corporation Europe Limited

Sumitomo Mitsui Banking Corporation (China) Limited

SMBC Finance Service Co., Ltd.

SMBC Capital Markets, Inc.

Changes in the consolidated subsidiaries in the fiscal year ended March 31, 2014 are as follows:

35 companies including SMBC Trust Bank Ltd. were newly included in the scope of consolidation as a result of the acquisition of stocks and for other reasons. 13 companies including Chelsea Capital Corporation were also newly consolidated in accordance with the revision to the Accounting Standard for Consolidated Financial Statements effective March 25, 2011 (ASBJ Statement No. 22) and related rules, which are applied from fiscal years beginning on or after April 1, 2013.

28 companies including PROCENT Inc. were excluded from the scope of consolidation because they ceased to be SMFG's subsidiaries due to mergers and for other reasons.

19 companies including Ivory Leasing Co., Ltd. were excluded from the scope of consolidation and became unconsolidated subsidiaries that are not accounted for by the equity method because they became operators of silent partnerships for the lease business.

(ii) Unconsolidated subsidiaries

Principal company:

SBCS Co., Ltd.

195 subsidiaries including SMLC MAHOGANY CO., LTD. are operators of silent partnerships for lease transactions and their assets and profits/losses do not belong to them substantially. Therefore, they have been excluded from the scope of consolidation pursuant to Article 5, Paragraph 1 Item 2 of Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements.

Other unconsolidated subsidiaries including SBCS Co., Ltd. are also excluded from the scope of consolidation because their total amounts in terms of total assets, ordinary income, net income and retained earnings are immaterial, as such, they do not hinder a rational judgment of SMFG's financial position and results of operations when excluded from the scope of consolidation.

(b) Application of the equity method

Japanese accounting standards also require that any unconsolidated subsidiaries and affiliates which SMFG is able to exercise material influence over their financial and operating policies be accounted for by the equity method.

(i) Unconsolidated subsidiaries accounted for by the equity method

5 companies

Principal company:

SBCS Co., Ltd.

(ii) Equity method affiliates

41 companies

Principal companies:

PT Bank Tabungan Pensiunan Nasional Tbk
Sumitomo Mitsui Auto Service Company, Limited
Daiwa SB Investments Ltd.

Changes in the equity method affiliates in the fiscal year ended March 31, 2014 are as follows:

7 companies including PT Bank Tabungan Pensiunan Nasional Tbk newly became equity method affiliates due to the acquisition of stocks and for other reasons.

Mobit Co., Ltd. was excluded from the scope of affiliates accounted for by the equity method, because it became a subsidiary as a result of an increase in the ratio of voting rights. 4 companies including Shimizu Sogo Lease Co., Ltd. were also excluded from the scope because they ceased to be SMFG's affiliates due to mergers and for other reasons.

Toyota Asset Management Co., Ltd. became an equity method affiliate on April 1, 2013 through the acquisition of stocks. However, since it merged with Sumitomo Mitsui Asset Management Company, Limited on the same day, it was excluded from the scope of affiliates.

(iii) Unconsolidated subsidiaries that are not accounted for by the equity method

195 subsidiaries including SMLC MAHOGANY CO., LTD. are operators of silent partnerships for lease transactions and their assets and profits/losses do not belong to them substantially. Therefore, they have not been accounted for by the equity method pursuant to Article 10 Paragraph 1 Item 2 of Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements.

(iv) Affiliates that are not accounted for by the equity method

Principal company:

Daiwa SB Investments (USA) Ltd.

Affiliates that are not accounted for by the equity method are also excluded from the scope of equity method because their total amounts in terms of net income and retained earnings are immaterial, and as such, they do not hinder a rational judgment of SMFG's financial position and results of operations when excluded from the scope of equity method.

(c) The balance sheet dates of consolidated subsidiaries

(i) The balance sheet dates of the consolidated subsidiaries are as follows:

June 30	5 companies
October 31	3 companies
November 30	3 companies
December 31	130 companies
January 31	25 companies
February 28	4 companies
March 31	154 companies

(ii) The subsidiaries with balance sheets dated June 30 are consolidated using the financial statements as of December

31 or March 31 for the purpose of consolidation. The subsidiaries with balance sheets dated October 31 are consolidated using the financial statements as of January 31. The subsidiaries with balance sheets dated November 30 are consolidated using the financial statements as of March 31. Certain subsidiaries with balance sheets dated December 31 and January 31 are consolidated using the financial statements as of March 31. Other subsidiaries are consolidated using them on their respective balance sheet dates.

Appropriate adjustments were made for material transactions during the periods between their respective balance sheet dates and the consolidated closing date.

(2) Trading assets/liabilities and trading income/losses

Transactions for trading purposes (seeking gains arising from short-term changes in interest rates, currency exchange rates, or market prices of securities and other market related indices or from variation among markets) are included in "Trading assets" or "Trading liabilities" on the consolidated balance sheets on a trade date basis. Profits and losses on trading-purpose transactions are recognized on a trade date basis and recorded as "Trading income" or "Trading losses" on the consolidated statements of income.

Securities and monetary claims purchased for trading purposes are stated at the fiscal year-end market value, and financial derivatives such as swaps, futures and options are stated at amounts that would be settled if the transactions were terminated at the consolidated balance sheet date.

"Trading income" and "Trading losses" include interest received or paid during the fiscal year. The year-on-year valuation differences of securities and monetary claims are also recorded in the above-mentioned accounts. As for the derivatives, assuming that the settlement will be made in cash, the year-on-year valuation differences are also recorded in the above-mentioned accounts.

(3) Securities

(a) Debt securities that consolidated subsidiaries have the positive intent and ability to hold to maturity are classified as held-to-maturity securities and are carried at amortized cost (based on straight-line method) using the moving-average method. Investments in unconsolidated subsidiaries and affiliates that are not accounted for by the equity method are carried at cost using the moving-average method. Securities other than those classified for trading purpose securities, held-to-maturity securities and investments in unconsolidated subsidiaries and affiliates are classified as "other securities" (available-for-sale securities). Stocks (including foreign stocks) in other securities are carried at their average market prices during the final month of the fiscal year, and bonds and others are carried at their fiscal year-end market prices (cost of securities sold is calculated using primarily the moving-average method). Other securities for which it is extremely difficult to determine fair value are carried at cost using the moving-average method.

Net unrealized gains (losses) on other securities, net of income taxes, are included in "Net assets," after deducting the amount that is reflected in the fiscal year's earnings by

applying fair value hedge accounting.

(b) Securities included in money held in trust are carried in the same method used for securities mentioned above.

(4) Derivative transactions

Derivative transactions, excluding those for trading purposes, are carried at fair value.

(5) Depreciation

(a) Tangible fixed assets (excluding assets for rent and lease assets)

Buildings owned by SMFG and SMBC are depreciated using the straight-line method. Others are depreciated using the declining-balance method. The estimated useful lives of major items are as follows:

Buildings: 7 to 50 years

Others: 2 to 20 years

Other consolidated subsidiaries depreciate their tangible fixed assets primarily using the straight-line method over the estimated useful lives of the respective assets.

(b) Intangible fixed assets

Intangible fixed assets are depreciated using the straight-line method. Capitalized software for internal use owned by SMFG and its consolidated domestic subsidiaries is depreciated over its estimated useful life (basically 5 years).

(c) Assets for rent

Assets for rent are depreciated using the straight-line method, assuming that lease terms are, in principle, their depreciation period and salvage value is the estimated disposal value when the lease period expires.

(d) Lease assets

Lease assets with respect to non-transfer ownership finance leases, which are recorded in "Tangible fixed assets," are depreciated using the straight-line method, assuming that lease terms are their expected lifetime and salvage values are zero.

(6) Reserve for possible loan losses

The reserve for possible loan losses of major consolidated subsidiaries is provided for as described below in accordance with the internal standards for write-offs and provisions.

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

For claims on borrowers that are not currently bankrupt but are perceived to have a high risk of falling into bankruptcy ("potentially bankrupt borrowers"), a reserve is provided in the amount deemed necessary based on an overall solvency assessment of the claims, net of the expected amount of recoveries from collateral and guarantees.

Discounted cash flows ("DCF") method is used for claims on borrowers whose cash flows from collection of principals and interest can be rationally estimated and SMBC applies it to claims on large potentially bankrupt borrowers and claims on large borrowers requiring close monitoring that have been classified as "Past due loans (3 months or more)" or "Restructured

loans," whose total loans from SMBC exceed a certain amount.

SMBC establishes a reserve for possible loan losses using the DCF method for such claims in the amount of the difference between the present value of principal and interest (calculated using the rationally estimated cash flows discounted at the initial contractual interest rate) and the book value.

For other claims, a reserve is provided based on the historical loan-loss ratio. For claims originated in specific overseas countries, an additional reserve is provided in the amount deemed necessary based on the assessment of political and economic conditions.

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

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

For collateralized or guaranteed claims on bankrupt borrowers and effectively bankrupt borrowers, the amount exceeding the estimated value of collateral and guarantees is deemed to be uncollectible and written off against the total outstanding amount of the claims. The amounts of write-off were ¥511,043 million (\$4,967 million) and ¥653,146 million for the years ended March 31, 2014 and 2013, respectively.

(7) Reserve for employee bonuses

The reserve for employee bonuses is provided for payment of bonuses to employees, in the amount of estimated bonuses, which are attributable to the respective fiscal year.

(8) Reserve for executive bonuses

The reserve for executive bonuses is provided for payment of bonuses to directors, corporate auditors and other executive officers, in the amount of estimated bonuses, which are attributable to the respective fiscal year.

(9) Reserve for executive retirement benefits

The reserve for executive retirement benefits is provided for payment of retirement benefits to directors, corporate auditors and other executive officers, in the amount deemed accrued at the fiscal year-end based on the internal regulations.

(10) Reserve for point service program

The reserve for point service program is provided for the potential future redemption of points awarded to customers under the "SMBC Point Pack," credit card points programs, and other customer points award programs. The amount is calculated by converting the outstanding points into a monetary amount, and rationally estimating and recognizing the amount that will be redeemed in the future.

(11) Reserve for reimbursement of deposits

The reserve for reimbursement of deposits which were derecognized from liabilities under certain conditions is provided for the possible losses on the future claims of withdrawal based on historical reimbursements.

(12) Reserve for losses on interest repayment

The reserve for losses on interest repayment is provided for the possible losses on future claims of repayment of interest based on historical interest repayment experience.

(13) Reserve under the special laws

The reserve under the special laws is a reserve for contingent liabilities and provided for compensation for losses from securities related transactions or derivative transactions, pursuant to Article 46-5 of the Financial Instruments and Exchange Act.

(14) Employee retirement benefits

In calculating the projected benefit obligation, the straight-line basis is used to attribute the expected benefit to each service period.

Unrecognized prior service cost is amortized on a straight-line basis, primarily over 9 years within the employees' average remaining service period at incurrence.

Unrecognized net actuarial gain (loss) is amortized on a straight-line basis, primarily over 9 years within the employees' average remaining service period, commencing from the next fiscal year of incurrence.

(15) Translation of foreign currency assets and liabilities

Assets and liabilities of SMFG and SMBC denominated in foreign currencies and accounts of SMBC overseas branches are translated into Japanese yen mainly at the exchange rates prevailing at the consolidated balance sheet date, with the exception of stocks of subsidiaries and affiliates translated at rates prevailing at the time of acquisition.

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

(16) Lease transactions

(a) Recognition of income on finance leases

Interest income is allocated to each period.

(b) Recognition of income on operating leases

Primarily, lease-related income is recognized on a straight-line basis over the term of the lease, based on the contractual amount of lease fees per month.

(c) Recognition of income and expenses on installment sales

Primarily, installment-sales-related income and expenses are recognized on a due-date basis over the contract period for collection from the installment sales.

(17) Hedge accounting

(a) Hedging against interest rate changes

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

SMBC applies deferred hedge accounting stipulated in "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (Japanese Institute of Certified Public Accountants ("JICPA") Industry Audit Committee Report No. 24) to portfolio hedges on groups of large-volume, small-value monetary claims and debts.

As for the portfolio hedges to offset market fluctuation, SMBC assesses the effectiveness of such hedges by classifying the hedged items (such as deposits and loans) and the hedging instruments (such as interest rate swaps) by their maturity. As for the portfolio hedges to fix cash flows, SMBC assesses the effectiveness of such hedges by verifying the correlation between the hedged items and the hedging

instruments.

As for the individual hedges, SMBC also assesses the effectiveness of such individual hedges.

As a result of the application of JICPA Industry Audit Committee Report No. 24, SMBC discontinued the application of hedge accounting or applied fair value hedge accounting to a portion of the hedging instruments using "macro hedge," which had been applied in order to manage interest rate risk arising from large-volume transactions in loans, deposits and other interest-earning assets and interest-bearing liabilities as a whole using derivatives pursuant to "Temporary Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Audit Committee Report No. 15). The deferred hedge losses and gains related to such a portion of hedging instruments are charged to "Interest income" or "Interest expenses" over a 12-year period (maximum) according to their maturity from the fiscal year ended March 31, 2004. Gross amounts of deferred hedge losses on "macro hedge" (before deducting tax effect) at March 31, 2014 and 2013 were ¥40 million (\$0 million) and ¥70 million, respectively. Gross amounts of deferred hedge gains on "macro hedge" (before deducting tax effect) at March 31, 2014 and 2013 were ¥14 million (\$0 million) and ¥17 million, respectively.

(b) Hedging against currency fluctuations

SMBC applies deferred hedge accounting stipulated in "Treatment of Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Audit Committee Report No. 25) to currency swap and foreign exchange swap transactions executed for the purpose of lending or borrowing funds in different currencies.

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

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

(c) Hedging against share price fluctuations

SMBC applies fair value hedge accounting to individual hedges offsetting the price fluctuation of the shares that are classified under other securities, and that are held for the purpose of strategic investment, and accordingly evaluates the effectiveness of such individual hedges.

(d) Transactions between consolidated subsidiaries

As for derivative transactions between consolidated

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

Certain consolidated subsidiaries apply the deferred hedge accounting, the fair value hedge accounting or the special treatment for interest rate swaps.

(18) Amortization of goodwill

Goodwill is amortized using the straight-line method over a period in which its benefit is expected to be realized, not to exceed 20 years. Immaterial goodwill is expensed when incurred.

(19) Statements of cash flows

For the purposes of presenting the consolidated statements of cash flows, cash and cash equivalents represent cash and due from banks.

(20) Consumption taxes

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

(21) Changes in accounting policies

(a) Revision of the Accounting Standard for Consolidated Financial Statements and related rules

(Changes in accounting policies due to application of new or revised accounting standards)

SMFG has adopted the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, revised on March 25, 2011, the "Accounting Standard") applicable from fiscal years commencing on or after April 1, 2013. Accordingly, 13 companies including Chelsea Capital Corporation were newly included in the scope of consolidation since the beginning of the fiscal year ended March 31, 2014.

In accordance with the transitional treatment stipulated in Paragraph 44-4 (3) of the Accounting Standard, assets, liabilities and minority interests of those newly consolidated subsidiaries are valued by the appropriate book values reported in the consolidated financial statements at the beginning of the period.

As a result, retained earnings at the beginning of this fiscal year decreased by ¥168 million (\$2 million).

(b) Accounting Standard for Retirement Benefits and related guidance

(Changes in accounting policies due to application of new or revised accounting standards)

SMFG has adopted the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, issued on May 17, 2012, the "Accounting Standard") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, the "Guidance") applicable from the fiscal year ended March 31, 2014 (excluding the provisions set out in the main text of Paragraph 35 and Paragraph 67 of the Accounting Standard and the

Guidance, respectively). Accordingly, the difference between the projected benefit obligation and plan assets is reported as Net defined benefit asset or Net defined benefit liability from the fiscal year ended March 31, 2014.

In accordance with the transitional treatment stipulated in Paragraph 37 of the Accounting Standard, unrecognized net actuarial gain or loss and unrecognized prior service cost, after adjusting tax effect, are reported as Remeasurements of defined benefit plans in Accumulated other comprehensive income from the fiscal year ended March 31, 2014.

As a result, ¥119,932 million (\$1,166 million) and ¥45,385 million (\$441 million) were recorded as Net defined benefit asset and Net defined benefit liability, respectively. Accumulated other comprehensive income decreased by ¥73,579 million (\$715 million).

The effect of this change on net assets per share is disclosed in Note 35. Per share data.

(22) Unapplied Accounting Standards

(a) Accounting Standard for Retirement Benefits (ASBJ

Statement No. 26, issued on May 17, 2012) and related guidance

(i) Outline

The accounting standard has been revised in light of improving financial reporting and the trend toward international convergence, mainly on i) changes in accounting methods for unrecognized net actuarial gains or losses and unrecognized prior service cost, ii) enhancement of disclosure items, and iii) changes in calculation methods for projected benefit obligation and service cost.

(ii) Date of application

SMFG intends to adopt iii) from the fiscal year beginning on April 1, 2014. The method for attributing the expected benefit to periods of service will be primarily changed from the straight-line basis to the benefit formula basis.

(iii) Effects of adoption of the revised accounting standard
Effects of adoption of the accounting standard are currently being examined.

(b) Revision of Accounting Standard for Business

Combinations (ASBJ Statement No. 21, revised on September 13, 2013) and related rules

(i) Outline

The accounting standard has been revised mainly on i) the treatment of a change in the parent company's ownership interest in a subsidiary in the case where the parent company continues to control the subsidiary upon additionally acquiring the shares of the subsidiary or other cases, ii) the treatment of acquisition cost, iii) the treatment of the transitional accounting, and iv) the presentation of net income and the change in presentation from minority interests to non-controlling interests.

(ii) Date of application

SMFG intends to adopt i) to iii) from the fiscal year beginning on April 1, 2014, and iv) from the fiscal year beginning on April 1, 2015.

(iii) Effects of adoption of the revised accounting standard
Effects of adoption of the revised accounting standard are not yet determined.

(23) Additional information

Effect of a change in the corporate income tax rate
In accordance with the Act for Partial Revision of the Income
Tax Act, etc. (2014 Act No. 10) promulgated on March 31,

2014, the special corporate tax for reconstruction will be
abolished from fiscal years beginning on or after April 1,
2014. As a result, net income decreased by ¥10,797 million
(\$105 million).

3. Trading Assets

Trading assets at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Trading securities	¥3,350,242	¥3,220,858	\$32,565
Derivatives of trading securities	6,462	3,614	63
Derivatives of securities related to trading transactions	6,086	26,044	59
Trading-related financial derivatives	3,477,646	4,327,085	33,803
Other trading assets	116,981	187,952	1,137
	¥6,957,419	¥7,765,554	\$67,627

4. Securities

Securities at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Japanese government bonds*1	¥14,242,395	¥26,994,438	\$138,437
Japanese local government bonds	227,128	355,883	2,208
Japanese corporate bonds*2	2,956,229	3,015,019	28,735
Japanese stocks*1, 3, 4	3,391,701	3,035,072	32,968
Other*1, 3, 4	6,335,326	7,906,318	61,580
	¥27,152,781	¥41,306,731	\$263,927

*1 Unsecured loaned securities for which borrowers have the right to sell or pledge in the amount of ¥28,995 million (\$282 million) and ¥50,716 million are included in Japanese government bonds and other trading assets at March 31, 2014 and 2013, respectively.

SMBC has the right to sell or pledge, some of the unsecured borrowed securities, securities under resale agreements and securities borrowed with cash collateral. Of these securities, ¥1,462,265 million (\$14,213 million) are pledged, and ¥2,482,406 million (\$24,129 million) are held in hand at March 31, 2014. The respective amounts at March 31, 2013 were ¥1,238,199 million and ¥821,378 million.

*2 Japanese corporate bonds include privately-placed bonds (stipulated by Article 2-3 of the Financial Instruments and Exchange Act) which are guaranteed by banking subsidiaries in the amount of ¥1,885,300 million (\$18,325 million) and ¥1,823,931 million at March 31, 2014 and 2013, respectively.

*3 Japanese stocks and other include investments in unconsolidated subsidiaries and affiliates of ¥372,377 million (\$3,619 million) and ¥257,871 million at March 31, 2014 and 2013, respectively.

*4 Japanese stocks and other include investments in jointly controlled entities of ¥99,691 million (\$969 million) and ¥125,057 million at March 31, 2014 and 2013, respectively.

5. Loans and Bills Discounted

(1) Loans and bills discounted at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Bills discounted	¥ 180,549	¥ 199,057	\$ 1,755
Loans on notes	2,151,154	2,163,861	20,909
Loans on deeds	60,430,958	56,620,452	587,393
Overdrafts	5,465,025	6,648,720	53,120
	¥68,227,688	¥65,632,091	\$663,177

(2) Loans and bills discounted included the following "Risk-monitored loans" stipulated in the Banking Act:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Bankrupt loans*1	¥ 39,601	¥ 55,479	\$ 385
Non-accrual loans*2	877,325	1,130,562	8,528
Past due loans (3 months or more)*3	14,679	16,044	143
Restructured loans*4	389,089	484,963	3,782
	¥1,320,695	¥1,687,049	\$12,837

*1 "Bankrupt loans" are loans, after write-off, to legally bankrupt borrowers as defined in Articles 96-1-3 and 96-1-4 of "Order for Enforcement of the Corporation Tax Act" (Cabinet Order No. 97 of 1965) and on which accrued interest income is not recognized as there is substantial doubt about the ultimate collectability of either principal or interest because they are past due for a considerable period of time or for other reasons.

*2 "Non-accrual loans" are loans on which accrued interest income is not recognized, excluding "Bankrupt loans" and loans on which interest payments are deferred in order to support the borrowers' recovery from financial difficulties.

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

*4 "Restructured loans" are loans on which terms and conditions have been amended in favor of the borrowers (e.g. reduction of the original interest rate, deferral of interest payments, extension of principal repayments or debt forgiveness) in order to support the borrowers' recovery from financial difficulties, excluding "Bankrupt loans," "Non-accrual loans" and "Past due loans (3 months or more)."

(3) Bills discounted are accounted for as financial transactions in accordance with JICPA Industry Audit Committee Report No. 24. SMFG's banking subsidiaries have rights to sell or pledge without restrictions bank acceptance bought, commercial bills discounted, documentary bills and foreign exchanges bought, etc. The total face value at March 31, 2014 and 2013 was ¥1,019,215 million (\$9,907 million) and ¥887,690 million, respectively.

(4) Commitment line contracts on overdrafts and loans are agreements to lend to customers, up to a prescribed amount, as long as there is no violation of any condition established in the contracts. The amounts of unused commitments at March 31, 2014 and 2013 were ¥49,167,754 million (\$477,914 million) and ¥49,706,886 million, respectively, and the amounts of unused commitments whose original contract terms are within 1 year or unconditionally cancelable at any time at March 31, 2014 and 2013 were ¥38,010,372 million (\$369,463 million) and ¥40,403,061 million, respectively.

Since many of these commitments are expected to expire without being drawn upon, the total amount of unused commitments does not necessarily represent actual future cash flow requirements. Many of these commitments include clauses under which SMBC and other consolidated subsidiaries can reject an application from customers or reduce the contract amounts in the event that economic conditions change, SMBC and other consolidated subsidiaries need to secure claims, or other events occur. In addition, SMBC and other consolidated subsidiaries may request the customers to pledge collateral such as premises and securities at the time of the contracts, and take necessary measures such as monitoring customers' financial positions, revising contracts when such need arises and securing claims after the contracts are made.

6. Other Assets

Other assets at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Prepaid expenses.....	¥ 44,627	¥ 38,273	\$ 434
Accrued income.....	313,866	290,923	3,051
Deferred assets.....	919,230	819,984	8,935
Financial derivatives*	681,783	785,820	6,627
Other	2,222,004	2,432,633	21,598
	¥4,181,512	¥4,367,634	\$40,645

* Referred to in Note 29

7. Tangible Fixed Assets

Tangible fixed assets at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Assets for rent.....	¥1,436,703	¥1,102,755	\$13,965
Buildings	302,220	298,620	2,938
Land*	445,043	455,420	4,326
Lease assets	8,529	9,065	83
Construction in progress.....	55,920	20,123	544
Other tangible fixed assets.....	98,369	97,786	956
Total.....	¥2,346,788	¥1,983,772	\$22,811
Accumulated depreciation	¥ 884,257	¥ 857,513	\$ 8,595

* Includes land revaluation excess referred to in Note 15.

8. Intangible Fixed Assets

Intangible fixed assets at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Software	¥328,251	¥296,770	\$3,191
Goodwill	377,145	385,625	3,666
Lease assets	80	104	1
Other intangible fixed assets	114,418	108,359	1,112
	¥819,895	¥790,860	\$7,969

9. Assets Pledged as Collateral

Assets pledged as collateral at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Assets pledged as collateral:			
Cash and due from banks and Deposits with banks	¥ 98,101	¥ 207,675	\$ 954
Call loans and bills bought	347,681	496,342	3,379
Monetary claims bought	76,437	1,744	743
Trading assets	2,245,525	2,528,418	21,827
Securities	7,431,341	5,343,900	72,233
Loans and bills discounted	2,278,931	1,649,598	22,151
Lease receivables and investment assets	4,036	5,463	39
Tangible fixed assets	10,411	12,496	101
Other assets (installment account receivable, etc.)	276	790	3
Liabilities corresponding to assets pledged as collateral:			
Deposits	29,933	20,968	291
Call money and bills sold	745,000	1,045,000	7,241
Payables under repurchase agreements	1,664,002	2,067,392	16,174
Payables under securities lending transactions	5,317,793	3,520,709	51,689
Trading liabilities	350,379	502,841	3,406
Borrowed money	3,561,623	1,202,622	34,619
Other liabilities	35,014	41,407	340
Acceptances and guarantees	187,730	125,009	1,825

In addition to the assets presented above, the following assets were pledged as collateral for cash settlements, variation margins of futures market transactions and certain other purposes at March 31, 2014 and 2013:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Cash and due from banks and Deposits with banks	¥ 11,658	¥ 17,766	\$ 113
Trading assets	21,939	28,128	213
Securities	8,018,590	24,871,082	77,941
Loans and bills discounted	—	735,230	—

Moreover, other assets included surety deposits, margins of futures market transactions, cash collateral paid for financial instruments, and other margins, etc. The amount of at March 31, 2014 and 2013 is as follows.

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Surety deposits	¥121,613	¥120,705	\$1,182
Margins of futures market transactions	22,677	17,507	220
Cash collateral paid for financial instruments	152,163	255,863	1,479
Other margins	1,362	2,414	13

10. Deposits

Deposits at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Current deposits	¥ 8,641,851	¥ 8,232,048	\$ 83,999
Ordinary deposits	45,172,830	42,424,870	439,083
Savings deposits	728,432	704,081	7,080
Deposits at notice	7,370,774	6,106,278	71,644
Time deposits	27,324,639	27,687,948	265,597
Negotiable certificates of deposit	13,713,539	11,755,654	133,296
Other deposits	5,093,395	3,926,583	49,508
	¥108,045,465	¥100,837,465	\$1,050,209

11. Trading Liabilities

Trading liabilities at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Trading securities sold for short sales	¥1,865,242	¥1,910,129	\$18,130
Derivatives of trading securities	7,547	11,727	73
Derivatives of securities related to trading transactions	7,578	29,396	74
Trading-related financial derivatives	2,899,601	4,168,379	28,184
	¥4,779,969	¥6,119,631	\$46,462

12. Borrowed Money

Borrowed money at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars	Average interest rate* ¹	Due
	2014	2013	2014	2014	
Borrowed money* ²	¥7,020,841	¥4,979,460	\$68,243	0.48%	Jan. 2014–Perpetual

*¹ Average interest rate represents the weighted average interest rate based on the balances and rates at respective year-end of SMBC and other consolidated subsidiaries.

*² Includes subordinated borrowings of ¥282,449 million (\$2,745 million) and ¥314,450 million at March 31, 2014 and 2013, respectively.

The repayment schedule over the next 5 years on borrowed money at March 31, 2014 was as follows:

March 31	Millions of yen	Millions of U.S. dollars
	2014	2014
Within 1 year	¥4,825,675	\$46,906
After 1 year through 2 years	464,890	4,519
After 2 years through 3 years	278,299	2,705
After 3 years through 4 years	133,272	1,295
After 4 years through 5 years	171,338	1,665

13. Bonds

Bonds at March 31, 2014 and 2013 consisted of the following:

March 31

March 31		Millions of yen*1		Millions of U.S. dollars	Interest rate*2 (%)	
Issuer	Description	2014	2013	2014	2014	Due
SMBC:						
Short-term bonds, payable in Yen	¥ 25,000	¥ 20,000	\$ 243	0.07	Apr. 2014	
	[25,000]	[20,000]				
Straight bonds, payable in Yen	926,808	1,070,929	9,009	0.06929-1.26	Apr. 2014–Apr. 2018	
	[226,396]	[187,091]				
Straight bonds, payable in Euroyen.....	12,900	12,900	125	0.06893-3.4	Mar. 2036–Feb. 2037	
Straight bonds, payable in U.S. dollars	1,618,005	1,138,357	15,727	0.6704-3.95	Jul. 2014–Jan. 2024	
	(\$15,727,110 thousand)	(\$12,108,898 thousand)				
	[144,015]	[155,095]				
Straight bonds, payable in British pound sterling	42,805	35,772	416	1.07	Mar. 2016	
	(£250,000 thousand)	(£250,000 thousand)				
Straight bonds, payable in Euro.....	175,822	—	1,709	2.25-2.75	Dec. 2020–Jul. 2023	
	(€1,242,032 thousand)					
Straight bonds, payable in Australian dollars.....	139,961	116,439	1,360	3.29-4.28	Dec. 2014–Mar. 2019	
	(A\$1,469,873 thousand)	(A\$1,189,854 thousand)				
	[40,942]					
Subordinated bonds, payable in Yen	1,094,793	1,339,476	10,641	0.87-2.8	Oct. 2014–Dec. 2026	
	[49,997]	[109,491]				
Subordinated bonds, payable in Euroyen.....	130,800	229,400	1,271	0.80786-2.97	May 2019–Jun. 2035	
Subordinated bonds, payable in U.S. dollars.....	187,407	169,904	1,822	4.85-5.625	Mar. 2022–Perpetual	
	(\$1,821,609 thousand)	(\$1,807,298 thousand)				
Subordinated bonds, payable in Euro.....	152,231	129,375	1,480	4-4.375	Nov. 2020–Perpetual	
	(€1,075,384 thousand)	(€1,072,231 thousand)				
Other consolidated subsidiaries:						
Straight bonds, payable in Yen	458,299	349,386	4,454	0.1-17	Apr. 2014–Mar. 2044	
	[51,250]	[58,950]				
Straight bonds, payable in Renminbi.....	14,931	16,665	145	3-4	Sep. 2014–Aug. 2015	
	(RMB¥900,000 thousand)	(RMB¥1,100,000 thousand)				
	[4,977]	[3,030]				
Subordinated bonds, payable in Yen	136,200	142,200	1,324	2.19-4.5	Feb. 2020–Perpetual	
Short-term bonds, payable in Yen	1,120,200	1,106,300	10,888	0.085-0.2	Apr. 2014–Nov. 2014	
	[1,120,200]	[1,106,300]				
	¥6,236,094	¥5,877,106	\$60,615			

*1 Figures in () are the balances in the original currency of the foreign currency denominated bonds, and figures in { } are the amounts to be redeemed within 1 year.

*2 Interest rates indicate nominal interest rates which are applied at the consolidated balance sheet dates. Therefore, they may differ from actual interest rates.

The redemption schedule over the next 5 years on bonds at March 31, 2014 was as follows:

March 31	Millions of yen	Millions of U.S. dollars
	2014	2014
Within 1 year	¥1,662,803	\$16,163
After 1 year through 2 years	913,557	8,880
After 2 years through 3 years	823,193	8,001
After 3 years through 4 years	425,984	4,141
After 4 years through 5 years	311,378	3,027

14. Other Liabilities

Other liabilities at March 31, 2014 and 2013 consisted of the following:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Accrued expenses.....	¥ 153,753	¥ 155,892	\$ 1,494
Unearned income.....	155,699	148,938	1,513
Income taxes payable.....	94,584	206,968	919
Financial derivatives*1	1,294,664	932,404	12,584
Lease liabilities*2	93,622	97,954	910
Other	2,919,744	2,447,635	28,380
	¥4,712,069	¥3,989,794	\$45,802

*1 Referred to in Note 31

*2 Average interest rate on lease liabilities for the year ended March 31, 2014 was 4.60%. Non-transfer ownership finance lease with the lease term commenced before April 1, 2008 is excluded from calculations of average interest rate.

The repayment schedule over the next 5 years on lease liabilities at March 31, 2014 was as follows:

March 31	Millions of yen	Millions of U.S. dollars
	2014	2014
Within 1 year.....	¥18,597	\$181
After 1 year through 2 years	16,245	158
After 2 years through 3 years	12,587	122
After 3 years through 4 years	10,803	105
After 4 years through 5 years	9,692	94

15. Land Revaluation Excess

SMBC and another consolidated subsidiary revaluated their own land for business activities in accordance with “Act on Revaluation of Land” (the “Act”) (Act No. 34, effective March 31, 1998) and “Act for Partial Revision of Act on Revaluation of Land” (Act No. 19, effective March 31, 2001). The income taxes corresponding to the net unrealized gains are reported in “Liabilities” as “Deferred tax liabilities for land revaluation,” and the net unrealized gains, net of deferred taxes, are reported as “Land revaluation excess” in “Net assets.”

A certain affiliate revaluated its own land for business activities in accordance with the Act. The net unrealized gains, net of deferred taxes, are reported as “Land revaluation excess” in “Net assets.”

Date of the revaluation

SMBC:

March 31, 1998 and March 31, 2002

Another consolidated subsidiary and an affiliate:

March 31, 1999 and March 31, 2002

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

SMBC:

Fair values were determined by applying appropriate adjustments for land shape and timing of appraisal to the values stipulated in Article 2-3, 2-4 or 2-5 of “Order for Enforcement of Act on Revaluation of Land” (Cabinet Order No. 119 of March 31, 1998).

Another consolidated subsidiary and an affiliate:

Fair values were determined based on the values stipulated in Articles 2-3 and 2-5 of “Order for Enforcement of Act on Revaluation of Land” (Cabinet Order No. 119 of March 31, 1998).

16. Capital Stock

Capital stock consists of common stock and preferred stock. Common stock and preferred stock at March 31, 2014 and 2013 were as follows:

March 31	Number of shares			
	2014		2013	
	Authorized	Issued	Authorized	Issued
Common stock	3,000,000,000	1,414,055,625	3,000,000,000	1,414,055,625
Preferred stock (Type 5).....	167,000	—	167,000	—
Preferred stock (Type 6).....	—	—	70,001	—
Preferred stock (Type 7).....	167,000	—	167,000	—
Preferred stock (Type 8).....	115,000	—	115,000	—
Preferred stock (Type 9).....	115,000	—	115,000	—
Total.....	3,000,564,000	1,414,055,625	3,000,634,001	1,414,055,625

17. Fees and Commissions

Fees and commissions for the fiscal years ended March 31, 2014 and 2013 consisted of the following:

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Fees and commissions:			
Deposits and loans	¥ 116,893	¥ 112,723	\$ 1,136
Remittances and transfers	131,239	130,742	1,276
Securities-related business	150,000	91,999	1,458
Agency	17,968	18,172	175
Safe deposits	5,833	5,991	57
Guarantees	76,687	79,376	745
Credit card business	236,230	225,444	2,296
Investment trusts	159,425	162,951	1,550
Other	218,150	212,725	2,120
	¥1,112,429	¥1,040,126	\$10,813
Fees and commissions payments:			
Remittances and transfers	¥ 36,698	¥ 44,244	\$ 357
Other	91,141	87,712	886
	¥ 127,840	¥ 131,957	\$ 1,243

18. Trading Income

Trading income for the fiscal years ended March 31, 2014 and 2013 consisted of the following:

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Trading income:			
Gains on trading securities	¥161,901	¥202,087	\$1,574
Gains on securities related to trading transactions	20,277	4,286	197
Gains on trading-related financial derivatives	29,491	—	287
Other	210	367	2
	¥211,881	¥206,741	\$2,059
Trading losses:			
Losses on trading-related financial derivatives	¥ —	¥ 40,124	\$ —
	¥ —	¥ 40,124	\$ —

19. Other Operating Income

Other operating income for the fiscal years ended March 31, 2014 and 2013 consisted of the following:

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Gains on sale of bonds	¥ 41,594	¥ 161,423	\$ 404
Gains on redemption of bonds	121	114	1
Lease-related income	950,375	879,822	9,238
Gains on financial derivatives	1,912	—	19
Gains on foreign exchange transactions	103,272	125,348	1,004
Other	106,223	117,068	1,032
	¥1,203,500	¥1,283,776	\$11,698

20. Other Operating Expenses

Other operating expenses for the fiscal years ended March 31, 2014 and 2013 consisted of the following:

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Losses on sale of bonds.....	¥ 25,734	¥ 34,825	\$ 250
Losses on redemption of bonds.....	13,427	6,614	131
Losses on devaluation of bonds.....	162	12	2
Bond issuance costs.....	3,756	3,235	37
Lease-related expenses.....	826,116	781,211	8,030
Losses on financial derivatives.....	—	6,040	—
Other	119,183	128,239	1,158
	¥988,380	¥960,179	\$9,607

21. Other Income

Other income for the fiscal years ended March 31, 2014 and 2013 consisted of the following:

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Gains on sale of stocks and other securities	¥108,183	¥38,412	\$1,052
Gains on money held in trust.....	79	71	1
Equity in gains of affiliates	10,241	5,309	100
Gains on disposal of fixed assets.....	2,632	240	26
Recoveries of written-off claims.....	9,657	10,436	94
Gains on step acquisitions	1,564	140	15
Other	43,235	32,168	420
	¥175,595	¥86,780	\$1,707

22. Other Expenses

Other expenses for the fiscal years ended March 31, 2014 and 2013 consisted of the following:

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Write-off of loans.....	¥ 84,933	¥133,639	\$ 826
Losses on sale of stocks and other securities.....	8,721	29,440	85
Losses on devaluation of stocks and other securities.....	10,218	29,944	99
Losses on money held in trust.....	10	1,659	0
Losses on sale of delinquent loans.....	9,127	10,532	89
Losses on disposal of fixed assets	11,227	5,721	109
Losses on impairment of fixed assets*	3,348	4,314	33
Other	89,813	67,614	873
	¥217,402	¥282,867	\$2,113

*Losses on impairment of fixed assets consisted of the following:

Year ended March 31	Area	Purpose of use		Millions of yen		Millions of U.S. dollars
		2014	Type	2014	2013	2014
Tokyo metropolitan area		Corporate assets (3 items)	Land and buildings, etc.	¥ 146	¥ —	\$ 1
		Idle assets (38 items)		1,836	2,523	18
		Other (1 item)		23	55	0
Kinki area		Branches (—)	Land and buildings, etc.	—	206	—
		Idle assets (37 items)		965	1,169	9
		Other (—)		—	22	—
Other		Corporate assets (1 item)	Land and buildings, etc.	37	—	0
		Idle assets (10 items)		232	274	2
		Other (1 item)		107	62	1

At SMBC, a branch, which continuously manages and determines its income and expenses, is the smallest unit of asset group for recognition and measurement of impairment loss of fixed assets. Assets such as corporate headquarters facilities, training facilities, data and system centers, and health and recreational facilities which do not produce cash flows that can be attributed to individual assets are treated as corporate assets. As for idle assets, impairment loss is measured individually. At SMFG and other consolidated subsidiaries, a branch or other group is the smallest asset grouping unit as well.

SMBC and other consolidated subsidiaries reduced the carrying amounts of long-lived assets of which investments are not expected to be fully recovered to their recoverable amounts, and recognized the losses as “losses on impairment of fixed assets,” which is included in “Other expenses.” SMBC reduced the carrying amounts of idle assets, and other consolidated subsidiaries reduced the carrying amounts of their branches, corporate assets and idle assets.

The recoverable amount is calculated using net realizable value which is basically determined by subtracting the expected disposal cost from the appraisal value based on the Real Estate Appraisal Standard.

23. Other Comprehensive Income

Reclassification adjustment and tax effect of other comprehensive income

Years ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Net unrealized gains on other securities:			
Amount arising during the fiscal year	¥518,567	¥696,090	\$5,041
Reclassification adjustment	(223,029)	(78,619)	(2,168)
Before adjustment to tax effect	295,537	617,471	2,873
Tax effect	(93,971)	(171,793)	(913)
Net unrealized gains on other securities	201,566	445,678	1,959
Net deferred losses on hedges:			
Amount arising during the fiscal year	(59,541)	(4,728)	(579)
Reclassification adjustment	17,840	3,658	173
Adjustment on the cost of the assets	(1,332)	(260)	(13)
Before adjustment to tax effect	(43,032)	(1,329)	(418)
Tax effect	15,559	253	151
Net deferred losses on hedges	(27,473)	(1,076)	(267)
Land revaluation excess:			
Amount arising during the fiscal year	—	—	—
Reclassification adjustment	—	—	—
Before adjustment to tax effect	—	—	—
Tax effect	18	—	0
Land revaluation excess	18	—	0
Foreign currency translation adjustments:			
Amount arising during the fiscal year	170,926	99,611	1,661
Reclassification adjustment	(863)	15	(8)
Before adjustment to tax effect	170,062	99,626	1,653
Tax effect	—	—	—
Foreign currency translation adjustments	170,062	99,626	1,653
Share of other comprehensive income of affiliates:			
Amount arising during the fiscal year	(1,349)	(1,135)	(13)
Reclassification adjustment	(3,418)	(3,051)	(33)
Before adjustment to tax effect	(4,768)	(4,187)	(46)
Tax effect	—	—	—
Share of other comprehensive income of affiliates	(4,768)	(4,187)	(46)
Total other comprehensive income	¥339,405	¥540,041	\$3,299

24. Changes in Net Assets

(1) Type and number of shares issued and treasury stock

Year ended March 31, 2014	Number of shares			At the end of the fiscal year
	At the beginning of the fiscal year	Increase	Decrease	
Shares issued				
Common stock.....	1,414,055,625	—	—	1,414,055,625
Total	1,414,055,625	—	—	1,414,055,625
Treasury stock				
Common stock.....	60,179,376	105,441* ¹	13,503,148* ²	46,781,669
Total	60,179,376	105,441	13,503,148	46,781,669

*¹ Increase of 105,441 shares in the number of treasury common stock was due to the purchase of fractional shares.

*² Decrease of 13,503,148 shares in the number of treasury common stock was due to reduction of 5,108 shares through the sale of fractional shares and exercise of stock options, and reduction of 13,498,040 shares through the sale of SMFG shares held by SMBC and other subsidiaries.

Year ended March 31, 2013	Number of shares			At the end of the fiscal year
	At the beginning of the fiscal year	Increase	Decrease	
Shares issued				
Common stock.....	1,414,055,625	—	—	1,414,055,625
Total	1,414,055,625	—	—	1,414,055,625
Treasury stock				
Common stock.....	62,939,559	88,729* ¹	2,848,912* ²	60,179,376
Total	62,939,559	88,729	2,848,912	60,179,376

*¹ Increase of 88,729 shares in the number of treasury common stock due to increase of 85,533 shares through purchase of fractional shares, increase of 396 shares through acquisition of fractional shares incurred as a result of a share exchange associated with SMBC Consumer Finance Co., Ltd. (formerly Promise Co., Ltd.) becoming a wholly-owned subsidiary and increase of 2,800 shares through acquisition of treasury stock associated with dissenting shareholders' share purchase demand against such share exchange.

*² Decrease of 2,848,912 shares in number of treasury common stock due to sale of fractional shares, reduction of 8,836 shares through exercise of stock options and reduction of 2,840,076 shares through the issuance of treasury stock as a result of a share exchange associated with SMBC Consumer Finance Co., Ltd. (formerly Promise Co., Ltd.) becoming a wholly-owned subsidiary.

(2) Information on stock acquisition rights

Year ended March 31, 2014	Detail of stock acquisition rights	Type of shares	Number of shares			Millions of yen	Millions of U.S. dollars
			At the beginning of the fiscal year	Increase	Decrease	At the end of the fiscal year	At the end of the fiscal year
SMFG.....	Stock options	—	—	—	—	¥1,634	\$16
Consolidated subsidiaries...	—	—	—	—	—	157	2
Total.....						¥1,791	\$17

Year ended March 31, 2013	Detail of stock acquisition rights	Type of shares	Number of shares			Millions of yen
			At the beginning of the fiscal year	Increase	Decrease	At the end of the fiscal year
SMFG.....	Stock options	—	—	—	—	¥1,140
Consolidated subsidiaries...	—	—	—	—	—	120
Total.....						¥1,260

(3) Information on dividends

(a) Dividends paid in the fiscal year ended March 31, 2013

Type of shares	Cash dividends	Millions of yen, except per share amount		
		Cash dividends per share	Record date	Effective date
Common stock * ¹	¥68,230	¥50	March 31, 2012	June 28, 2012
Common stock * ²	70,513	50	September 30, 2012	December 4, 2012

*¹ Date of resolution: Ordinary general meeting of shareholders held on June 28, 2012

*² Date of resolution: Meeting of the Board of Directors held on November 14, 2012

(b) Dividends paid in the fiscal year ended March 31, 2014

Type of shares	Millions of yen, except per share amount			
	Cash dividends	Cash dividends per share* ³	Record date	Effective date
Common stock * ¹	¥98,713	¥70	March 31, 2013	June 27, 2013
Common stock * ²	77,556	55	September 30, 2013	December 3, 2013

*¹ Date of resolution: Ordinary general meeting of shareholders held on June 27, 2013

*² Date of resolution: Meeting of the Board of Directors held on November 12, 2013

*³ Cash dividends per share of ¥70 resolved at the ordinary general meeting of shareholders held on June 27, 2013 includes ¥10 of the commemorative dividend.

(c) Dividends to be paid in the fiscal year ending March 31, 2015

Type of shares	Millions of yen, except per share amount				
	Cash dividends	Source of dividends	Cash dividends per share	Record date	Effective date
Common stock*	¥91,656	Retained earnings	¥65	March 31, 2014	June 27, 2014

* Date of resolution: Ordinary general meeting of shareholders held on June 27, 2014

25. Cash Flows

Fiscal year ended March 31, 2013

8 companies including SMBC Aviation Capital Limited were newly consolidated following the acquisition of shares by SMBC and Sumitomo Mitsui Finance and Leasing Company, Limited. Major assets and liabilities as of the beginning of consolidation and a summary of share acquisition cost and net expenses for the acquisition are as follows:

	Millions of yen
Assets	¥668,091
[Tangible fixed assets].....	568,479
Liabilities	(571,377)
[Borrowed money].....	(478,581)
Minority interests.....	(9,453)
Goodwill	7,484
Stock acquisition cost of the 8 companies	94,745
Cash and cash equivalents of the 8 companies	—
Difference: Expenses required for acquisition of the 8 companies	¥ 94,745

26. Lease Transactions

(1) Financing leases

(a) Lessee side

(i) Lease assets

Tangible fixed assets mainly consisted of branches and equipment. Intangible fixed assets are software.

(ii) Depreciation method of lease assets

Depreciation method of lease assets is reported in Note 2. (5) Depreciation.

(b) Lessor side

(i) Breakdown of lease investment assets

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Lease receivables	¥1,174,517	¥1,123,573	\$11,416
Residual value	102,853	88,530	1,000
Unearned interest income	(169,452)	(164,413)	(1,647)
Total.....	¥1,107,918	¥1,047,691	\$10,769

(ii) The scheduled collections of lease receivables and investment assets are as follows:

Lease payments receivable related to lease receivables

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Within 1 year	¥266,118	¥244,425	\$2,587
More than 1 year to 2 years	191,627	153,383	1,863
More than 2 years to 3 years	129,777	101,441	1,261
More than 3 years to 4 years	66,044	73,707	642
More than 4 years to 5 years	46,480	37,667	452
More than 5 years	123,437	111,437	1,200
Total	¥823,487	¥722,062	\$8,004

Lease payments receivable related to investment assets

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Within 1 year	¥ 332,508	¥ 355,846	\$ 3,232
More than 1 year to 2 years	264,101	246,504	2,567
More than 2 years to 3 years	194,146	186,131	1,887
More than 3 years to 4 years	134,726	127,014	1,310
More than 4 years to 5 years	86,255	73,846	838
More than 5 years	162,778	134,230	1,582
Total	¥1,174,517	¥1,123,573	\$11,416

(iii) Non-transfer ownership finance leases, which commenced in fiscal years beginning before April 1, 2008, are valued at their appropriate book value, net of accumulated depreciation, as of March 31, 2008, and recorded as the beginning balance of fiscal 2008 of "Lease receivables and investment assets." Moreover, interest on such non-transfer ownership finance leases during the remaining term of the leases is allocated over the lease term using the straight-line method. As a result of this accounting treatment, "Income before income taxes and minority interests" for the fiscal year ended March 31, 2014 and 2013 were ¥2,988 million (\$29 million) and ¥5,940 million, respectively, more than it would have been if such transactions had been treated in a similar way to sales of the underlying assets.

(2) Operating leases

(a) Lessee side

Future minimum lease payments on operating leases which were not cancelable at March 31, 2014 and 2013 were as follows:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Due within 1 year	¥ 43,498	¥ 45,180	\$ 423
Due after 1 year	265,182	286,516	2,578
Total	¥308,681	¥331,697	\$3,000

(b) Lessor side

Future minimum lease payments on operating leases which were not cancelable at March 31, 2014 and 2013 were as follows:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Due within 1 year	¥140,569	¥113,679	\$1,366
Due after 1 year	790,238	467,799	7,681
Total	¥930,807	¥581,478	\$9,048

Future lease payments receivable on operating leases which were not cancelable at March 31, 2014 and 2013 amounting to ¥0 million (\$0 million) and ¥0 million, respectively, on the lessor side were pledged as collateral for borrowings.

27. Financial Instruments

(1) Status of financial instruments

(a) Policies on financial instruments

SMFG conducts banking and other financial services such as leasing, securities, consumer finance, and system development and information processing. Its banking business includes deposit taking, lending, securities trading and investment, remittance and transfer, foreign exchange, bond subscription agent, trust business, and over-the-counter sales of securities investment trusts and insurance products.

These services entail holding of financial assets such as loans and bills discounted, bonds, and stocks. Meanwhile, SMFG raises funds through deposit taking, borrowing, bond offering, etc. Furthermore, it undertakes derivative transactions to meet customers' hedging needs, to control market risk associated with deposit taking and lending ("ALM purposes"), and to make profit on short-term fluctuations in interest rates, foreign exchange rates, etc. ("trading purposes"). At SMBC, SMFG's major consolidated subsidiary, derivative transactions for ALM purposes are undertaken by the Treasury Dept. and the International Treasury Dept. of the Treasury Unit, while derivative transactions for trading purposes are undertaken by the Trading Dept. of the Treasury Unit.

(b) Details of financial instruments and associated risks

(i) Financial assets

The main financial assets held by SMFG include loans to foreign and domestic companies and domestic individuals, and securities such as bonds (government and corporate bonds) and stocks (foreign and domestic stocks), etc. Bonds such as government bonds are held for both trading and ALM purposes, and certain bonds are held as held-to-maturity securities. Stocks are held mainly for strategic purposes. These assets expose SMFG to credit risk, market risk and liquidity risk. Credit risk is the risk of loss arising from nonperformance of obligations by the borrower or issuer due to factors such as deterioration in the borrower's/issuer's financial conditions. Market risk is the risk stemming from fluctuations in interest rates, exchange rates, or share prices. Liquidity risk is the risk arising from difficulty executing transactions in desired quantities at appropriate prices due to low market liquidity. These risks are properly monitored and managed based on "(c) Risk management framework for financial instruments" below.

(ii) Financial liabilities

Financial liabilities of SMFG include borrowed money and bonds, etc. in addition to deposits. Deposits mainly comprise deposits of domestic and foreign companies and domestic individuals. Borrowed money and bonds include subordinated borrowings and subordinated bonds. Also, financial liabilities, like financial assets, expose SMFG to not only market risk but also funding liquidity risk: the risk of SMFG not being able to raise funds due to market turmoil, deterioration in

its creditworthiness or other factors. These risks are properly monitored and managed based on "(c) Risk management framework for financial instruments" below.

(iii) Derivative transactions

Derivatives handled by SMFG include foreign exchange futures; futures, forwards, swaps and options related to interest rates, currencies, equities, bonds and commodities; and credit and weather derivatives.

Major risks associated with derivatives include market risk, liquidity risk, and credit risk arising from nonperformance of contractual obligations due to deterioration in the counterparty's financial conditions. These risks are properly monitored and managed based on "(c) Risk management framework for financial instruments" below.

Hedge accounting is applied to derivative transactions executed for ALM purposes, as necessary. Hedging instruments, hedged items, hedging policy and the method to assess the effectiveness of hedging are described in Note 2. (17) Hedge accounting.

(c) Risk management framework for financial instruments

The fundamental matters on risk management for SMFG are set forth in "Regulations on Risk Management." SMFG's Management Committee establishes the basic risk management policy, based on the Regulations, which is then approved by the Board of Directors. SMFG has a risk management system based on the basic policy. The Corporate Risk Management Dept., which, together with the Corporate Planning Dept., controls risk management across SMFG by monitoring the development and implementation of SMFG's risk management system, and gives appropriate guidance as needed. Under this framework, SMFG comprehensively and systematically manages risks.

(i) Management of credit risk

SMFG conducts integrated management of credit risk according to its operational characteristics, and the credit risk inherent in its entire portfolio as well as the risk in individual credits are managed quantitatively and continuously.

i. Credit risk management system

At SMBC, basic policies on credit risk management and other significant matters require the resolution of the Management Committee and the approval of the Board of Directors.

The Credit & Investment Planning Dept. of the Risk Management Unit is responsible for the comprehensive management of credit risk. This department establishes, revises or abolishes credit policies, the internal rating system, credit authority regulations, credit application regulations, and manages non-performing loans and other aspects of credit portfolio management. The department also controls SMBC's total credit risk by quantifying credit risk (i.e. calculating risk capital and risk-weighted assets) in cooperation with the Corporate Risk Management Dept. The department also monitors risk situations and regularly reports

to the Management Committee and the Board of Directors.

Moreover, the Credit Portfolio Management Dept. within the Credit & Investment Planning Dept. works to stabilize SMBC's overall credit portfolio through using credit derivatives and selling loan claims.

In the Corporate Services Unit, the Credit Administration Dept. is responsible for formulating and implementing measures to reduce SMBC's exposures mainly to borrowers classified as potentially bankrupt or lower.

The Credit Departments of Consumer Banking Unit, Middle Market Banking Unit and other business units play a central role in credit screening and managing their units' credit portfolios. Each business unit establishes its credit limits based on the baseline amounts for each borrower grading category. Borrowers or loans perceived to have high credit risk undergo intensive evaluation and administration by the unit's Credit Department. The Corporate Research Dept. analyzes industries as well as investigates the borrower's business situation to detect early signs of problems.

Moreover, the Credit Risk Committee, a consultative body straddling the business units, rounds out SMBC's oversight system for undertaking flexible and efficient control of credit risk and ensuring the overall soundness of the SMBC's loan operations.

In addition to these, the Internal Audit Unit, operating independently from the business units, audits asset quality, grading accuracy, self-assessment, and appropriateness of the credit risk management system, and reports the results directly to the Board of Directors and the Management Committee.

ii. Method of credit risk management

SMBC properly manages the credit risk inherent in individual loans and the entire portfolio by assessing and quantifying the credit risk of each borrower/loan using the internal rating system. In addition to management of individual loans through credit screening and monitoring, it manages the credit portfolio as described below in order to secure and improve the credit portfolio's soundness and medium-term profitability.

— Appropriate risk-taking within the scope of capital
To limit credit risks to a permissible level relative to capital, "credit risk capital limit" has been established for internal control purposes. Based on this limit, guidelines are set for each business unit. Regular monitoring is conducted to ensure that these guidelines are being followed.

— Controlling concentration of risk

Concentration of risk in specific borrowers/industries/countries could severely reduce a bank's capital should it materialize. SMBC therefore implements measures to prevent concentration of credit risk in specific industries, and control large exposures to individual borrowers by setting maximum loan amounts and

conducting thorough loan reviews. To manage country risk, SMBC also has credit limit guidelines based on each country's creditworthiness.

— Greater understanding of actual corporate conditions and balancing returns and risks

SMBC runs credit operations on the basic principle of thoroughly understanding actual corporate conditions and gaining profit commensurate with the level of credit risk entailed, and makes every effort to improve profit at after-cost (credit cost, capital cost and overhead) level.

— Reduction and prevention of non-performing loans

For non-performing loans and potential non-performing loans, SMBC carries out loan reviews to clarify credit policies and action plans, enabling it to swiftly implement measures to prevent deterioration of borrowers' business situations, support business recoveries, collect on loans, and enhance loan security.

In regards to financial instruments such as investments in certain funds, securitized products and credit derivatives that indirectly retain risks related to assets such as corporate bonds and loan claims (underlying assets), such instruments entail market and liquidity risks in addition to credit risk, since such instruments are traded on the market. Credit risk management for these instruments involving detailed analysis and evaluation of characteristics of underlying assets is performed while market risk is comprehensively managed within the framework for managing market and liquidity risks. Moreover, guidelines have been established based on the characteristics of each type of risk to appropriately manage risks of incurring losses.

In regards to credit risk of derivative transactions, the potential exposure based on the market price is regularly calculated and properly managed. When the counterparty is a financial institution with whom SMBC frequently conducts derivative transactions, measures such as a close-out netting provision, which provide that offsetting credit exposures between the 2 parties will be combined into a single net payment from one party to the other in case of bankruptcy or other default event, are implemented to reduce credit risk.

(ii) Management of market and liquidity risks

SMFG manages market and liquidity risks by setting allowable risk limits; ensuring the transparency of the risk management process; and clearly separating front-office, middle-office, and back-office operations for a highly efficient system of mutual checks and balances.

i. Market and liquidity risk management systems

At SMBC, important matters such as basic policies for managing market and liquidity risks and risk management framework are determined by the Management Committee and then approved by the Board of Directors.

The aforementioned Corporate Risk Management Dept., which is independent from the business units

that directly handle business transactions, manages market and liquidity risks in an integrated manner. The department also monitors market and liquidity risk situations and regularly reports to the Management Committee and the Board of Directors.

Furthermore, SMBC's cross-departmental "ALM Committee" reports on the state of observance of market risk capital and liquidity risk capital limits, and deliberates on administration of ALM policies. SMBC also has a system whereby front-office departments, middle-office departments and back-office departments check each other's work in order to prevent clerical errors, unauthorized transactions, etc.

In addition, SMBC's Internal Audit Unit, which is independent from other departments, periodically performs comprehensive internal audits to verify that the risk management framework is properly functioning and reports the audit results to the Management Committee, the Board of Directors and other concerned committees and departments.

ii. Market and liquidity risk management methodology
— Market risk management

SMBC manages market risk by setting maximum loss and VaR (value at risk: maximum potential loss that may be incurred to a specific financial instrument for a given probability) within the market risk capital limit, which is set taking into account stockholders' equity and other factors in accordance with the market transaction policies.

SMBC uses the historical simulation method (a method for estimating the maximum loss by running simulations of changes in profit and loss on market fluctuations scenarios based on historical data) to measure VaR. Regarding banking activities (activities for generating profit through management of interest rates, terms, and other aspects of assets such as loans and bonds and liabilities such as deposits) and trading activities (activities for generating profit by taking advantage of short-term fluctuations in market values and differences in value among markets), SMBC calculates the maximum loss that may occur as a result of market fluctuations in 1 day with a probability of 1% based on 4 years of historical observation. With regard to the holding of shares (such as listed shares) for the purpose of strategic investment, SMBC calculates the maximum loss that may occur as a result of market fluctuations in 1 year with a probability of 1% based on 10 years of historical observation.

Regarding risks associated with foreign exchange rates, interest rates, share price, option prices and other market risk factors, SMBC manages such risks by setting a maximum limit on the indicator suited for each market risk factor such as BPV (basis point value: denotes the change in value of a financial instrument resulting from a 0.01 percentage-point change in the yield).

— Quantitative information on market risks

As of March 31, 2014, total VaR of SMBC and other major consolidated subsidiaries was ¥41.5 billion (\$0.4 billion) for the banking activities, ¥9.5 billion (\$0.1 billion) for the trading activities, and ¥1,142.2 billion (\$11.1 billion) for the holding of shares (such as listed shares) for the purpose of strategic investment.

However, it should be noted that these figures are statistical figures that change according to changes in the assumptions and the calculation methods, and may not cover the risk of future market conditions fluctuating drastically compared to market fluctuations of the past.

— Liquidity risk management

At SMBC, funding liquidity risk is managed based on a framework consisting of setting funding gap limits, maintaining a system of highly liquid supplementary funding sources, and establishing contingency plans. A funding gap is the amount of funds needed in the future to cover duration mismatch between required investments and funding resources. SMBC tries to avoid excessive reliance on short-term funds by managing funding gap limits and has established a contingency plan covering emergency action plans such as reducing the allowable funding gap limits. In addition, to ensure smooth fulfillment of transactions in face of market turmoil, SMBC holds assets such as U.S. treasuries that can be sold immediately and emergency committed lines as supplemental liquidity.

Moreover, to manage the liquidity risk of marketable instruments, derivative transactions, etc., SMBC has trading limits for each business office classified by currency, instrument, transaction period, etc. As for financial futures, etc., risks are managed by restricting positions within a certain percentage of open interest in the entire market.

(d) Supplementary explanations about matters concerning fair value of financial instruments

Fair values of financial instruments are based on their market prices and, in cases where market prices are not available, on reasonably calculated prices. These prices have been calculated using certain assumptions, and may differ if calculated based on different assumptions.

(2) Fair value of financial instruments

(a) "Consolidated balance sheet amount," "Fair value" and "Net unrealized gains (losses)" of financial instruments as of March 31, 2014 and 2013 are as follows. The amounts shown in the following table do not include financial instruments whose fair values are extremely difficult to determine, such as unlisted stocks classified as "Other securities," and stocks of subsidiaries and affiliates.

March 31	Millions of yen		
	2014		
	Consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
1) Cash and due from banks and Deposits with banks*1.....	¥ 32,980,901	¥ 32,988,091	¥ 7,189
2) Call loans and bills bought*1.....	1,247,326	1,248,436	1,110
3) Receivables under resale agreements.....	522,860	528,406	5,545
4) Receivables under securities borrowing transactions.....	3,780,260	3,780,887	627
5) Monetary claims bought*1.....	3,545,953	3,559,390	13,437
6) Trading assets			
Securities classified as trading purposes.....	3,467,223	3,467,223	—
7) Money held in trust.....	23,120	23,120	—
8) Securities			
Bond classified as held-to-maturity.....	4,528,549	4,562,347	33,797
Other securities.....	21,656,818	21,656,818	—
9) Loans and bills discounted.....	68,227,688		
Reserve for possible loan losses*1.....	(538,691)		
	67,688,996	69,440,340	1,751,343
10) Foreign exchanges*1.....	1,786,063	1,790,855	4,792
11) Lease receivables and investment assets*1.....	1,816,624	1,893,207	76,582
Total assets.....	¥143,044,698	¥144,939,126	¥1,894,428
1) Deposits.....	¥ 94,331,925	¥ 94,334,169	¥ 2,244
2) Negotiable certificates of deposit.....	13,713,539	13,716,899	3,359
3) Call money and bills sold.....	4,112,428	4,112,428	(0)
4) Payables under repurchase agreements.....	1,710,101	1,710,101	—
5) Payables under securities lending transactions.....	5,330,974	5,330,974	—
6) Commercial paper.....	2,374,051	2,374,049	(2)
7) Trading liabilities			
Trading securities sold for short sales.....	1,865,242	1,865,242	—
8) Borrowed money.....	7,020,841	7,050,354	29,513
9) Foreign exchanges.....	451,658	451,658	—
10) Short-term bonds.....	1,145,200	1,145,195	(4)
11) Bonds.....	5,090,894	5,240,321	149,426
12) Due to trust account.....	699,329	699,329	—
Total liabilities.....	¥137,846,188	¥138,030,724	¥ 184,536
Derivative transactions*2			
Hedge accounting not applied.....	¥ 440,101	¥ 440,101	¥ —
Hedge accounting applied.....	{477,513}	{477,513}	—
Total.....	¥ {37,411}	¥ {37,411}	¥ —

March 31	Millions of yen		
	2013		
	Consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
1) Cash and due from banks and Deposits with banks*1	¥ 10,790,611	¥ 10,798,156	¥ 7,544
2) Call loans and bills bought*1	1,352,783	1,354,011	1,228
3) Receivables under resale agreements	273,217	274,216	998
4) Receivables under securities borrowing transactions	3,494,398	3,494,398	—
5) Monetary claims bought*1	1,533,638	1,545,517	11,879
6) Trading assets			
Securities classified as trading purposes	3,408,810	3,408,810	—
7) Money held in trust	22,789	22,789	—
8) Securities			
Bond classified as held-to-maturity	5,840,512	5,901,662	61,150
Other securities	34,597,867	34,597,867	—
9) Loans and bills discounted	65,632,091		
Reserve for possible loan losses*1	(695,077)		
	64,937,014	66,306,879	1,369,865
10) Foreign exchanges*1	2,220,409	2,224,866	4,457
11) Lease receivables and investment assets*1	1,674,220	1,742,524	68,303
Total assets	¥130,146,271	¥131,671,699	¥1,525,427
1) Deposits	¥ 89,081,811	¥ 89,084,089	¥ 2,277
2) Negotiable certificates of deposit	11,755,654	11,755,929	275
3) Call money and bills sold	2,954,051	2,954,050	(0)
4) Payables under repurchase agreements	2,076,791	2,076,791	—
5) Payables under securities lending transactions	4,433,835	4,433,835	—
6) Commercial paper	1,499,499	1,499,503	4
7) Trading liabilities			
Trading securities sold for short sales	1,910,129	1,910,129	—
8) Borrowed money	4,979,460	5,016,127	36,666
9) Foreign exchanges	337,901	337,901	—
10) Short-term bonds	1,126,300	1,126,291	(8)
11) Bonds	4,750,806	4,920,741	169,935
12) Due to trust account	643,350	643,350	—
Total liabilities	¥125,549,591	¥125,758,742	¥ 209,150
Derivative transactions*2			
Hedge accounting not applied	¥ 167,039	¥ 167,039	¥ —
Hedge accounting applied	[166,382]	[166,382]	—
Total	¥ 657	¥ 657	¥ —

March 31	Millions of U.S. dollars		
	2014		
	Consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
1) Cash and due from banks and Deposits with banks*1.....	\$ 320,576	\$ 320,646	\$ 70
2) Call loans and bills bought*1.....	12,124	12,135	11
3) Receivables under resale agreements.....	5,082	5,136	54
4) Receivables under securities borrowing transactions.....	36,744	36,750	6
5) Monetary claims bought*1.....	34,467	34,597	131
6) Trading assets			
Securities classified as trading purposes.....	33,702	33,702	—
7) Money held in trust.....	225	225	—
8) Securities			
Bond classified as held-to-maturity.....	44,018	44,346	329
Other securities.....	210,506	210,506	—
9) Loans and bills discounted.....	663,177		
Reserve for possible loan losses*1.....	(5,236)		
	657,941	674,964	17,023
10) Foreign exchanges*1.....	17,361	17,407	47
11) Lease receivables and investment assets*1.....	17,658	18,402	744
Total assets.....	\$1,390,403	\$1,408,817	\$18,414
1) Deposits.....	\$ 916,912	\$ 916,934	\$ 22
2) Negotiable certificates of deposit.....	133,296	133,329	33
3) Call money and bills sold.....	39,973	39,973	(0)
4) Payables under repurchase agreements.....	16,622	16,622	—
5) Payables under securities lending transactions.....	51,817	51,817	—
6) Commercial paper.....	23,076	23,076	(0)
7) Trading liabilities			
Trading securities sold for short sales.....	18,130	18,130	—
8) Borrowed money.....	68,243	68,530	287
9) Foreign exchanges.....	4,390	4,390	—
10) Short-term bonds.....	11,131	11,131	(0)
11) Bonds.....	49,484	50,936	1,452
12) Due to trust account.....	6,798	6,798	—
Total liabilities.....	\$1,339,874	\$1,341,667	\$ 1,794
Derivative transactions*2			
Hedge accounting not applied.....	\$ 4,278	\$ 4,278	\$ —
Hedge accounting applied.....	[4,641]	[4,641]	—
Total.....	\$ [364]	\$ [364]	\$ —

*1 The amounts do not include general reserve for possible loan losses and specific reserve for possible loan losses. The reserves for possible losses on "Cash and due from banks and Deposits with banks," "Call loans and bills bought," "Monetary claims bought," "Foreign exchanges," and "Lease receivables and investment assets" are deducted directly from "Consolidated balance sheet amount" since they are immaterial.

*2 The amounts collectively represent the derivative transactions which are recorded on "Trading assets," "Trading liabilities," "Other assets" and "Other liabilities." Debts and credits arising from derivative transactions are presented on a net basis, with a net debt presented in square brackets.

(b) Fair value calculation methodology for financial instruments

Assets

1) Cash and due from banks and Deposits with banks, 2) Call loans and bills bought, 3) Receivables under resale agreements, 4) Receivables under securities borrowing transactions, 9) Loans and bills discounted, 10) Foreign exchanges, and 11) Lease receivables and investment assets: Of these transactions, for dues from banks without maturity and overdrafts with no specified repayment dates, the book values are used as fair value as they are considered to approximate their fair value.

For short-term transactions with remaining maturity not

exceeding 6 months, in principle, the book values are used as fair value as they are considered to approximate their fair value.

The fair value of those with a remaining maturity of more than 6 months is, in principle, the present value of future cash flows (calculated by discounting estimated future cash flows, taking into account factors such as the borrower's internal rating and pledged collateral, using a rate comprising of a risk-free interest rate and an adjustment). Certain consolidated subsidiaries of SMFG calculate the present value by discounting the estimated future cash flows computed based on the contractual interest rate, using a rate comprising a risk-free rate and a credit risk

premium.

Regarding claims on bankrupt borrowers, effectively bankrupt borrowers and potentially bankrupt borrowers, expected losses on such claims are calculated based on either the expected recoverable amount from disposal of collateral or guarantees, or the present value of expected future cash flows. Since the claims' balance sheet amounts minus the expected amount of loan losses approximate their fair values, such amounts are considered to be their fair values.

5) Monetary claims bought:

The fair values of monetary claims bought, such as subordinated trust beneficiary interests related to securitized housing loans, are based on the assessed value of underlying housing loans securitized through the trust scheme minus the assessed value of senior beneficial interests, etc. The fair values of other transactions are, in principle, based on prices calculated using methods similar to the methods applied to 9) Loans and bills discounted.

6) Trading assets:

The fair values of bonds and other securities held for trading purposes are, in principle, based on their market price at the end of the fiscal year.

7) Money held in trust:

The fair values of money held in trust are, in principle, based on the market prices of securities held in trust calculated using methods similar to the methods applied to 8) Securities.

8) Securities:

In principle, the fair values of stocks (including foreign stocks) are based on the average market price during 1 month before the end of the fiscal year. The fair values of bonds and securities with market prices other than stocks are prices calculated based on their market prices as of the end of the fiscal year.

In light of the "Practical Solution on Measurement of Fair Value for Financial Assets" (ASBJ Practical Issue Task Force No. 25), the fair values of floating rate government bonds are based on the present value of future cash flows (the government bond yield is used to discount and estimate future cash flows). Bond yield and yield volatility are the main price parameters. The fair values of those without market prices, such as private placement bonds, are based on the present value of future cash flows calculated by discounting estimated future cash flows taking into account the borrower's internal rating and pledged collateral by a rate comprising a risk-free interest rate and an adjustment. However, the fair values of bonds, such as private placement bonds issued by bankrupt borrowers, effectively bankrupt borrowers and potentially bankrupt borrowers are based on the bond's book value after the deduction of the expected amount of a loss on the bond computed by using the same method applied to the estimation of a loan loss. Meanwhile, the fair values of publicly offered investment trusts are calculated based on the published net asset value (NAV) per share, while those of private placement investment trusts are calculated based on the NAV published by

securities firms and other financial institutions.

Liabilities

- 1) Deposits, 2) Negotiable certificates of deposit and 12) Due to trust account:

The fair values of demand deposits and deposits without maturity are based on their book values. The fair values of short-term transactions with remaining maturity not exceeding 6 months are also based on their book values, as their book values are considered to approximate their fair values. The fair values of transactions with a remaining maturity of more than 6 months are, in principle, based on the present value of estimated future cash flows calculated using the rate applied to the same type of deposits that are newly accepted until the end of the remaining maturity.

- 3) Call money and bills sold, 4) Payables under repurchase agreements, 5) Payables under securities lending transactions, 6) Commercial paper, 8) Borrowed money, 10) Short-term bonds and 11) Bonds:

The fair values of short-term transactions with remaining maturity not exceeding 6 months are based on their book values, as their book values are considered to approximate their fair values. For transactions with a remaining maturity of more than 6 months, their fair values are, in principle, based on the present value of estimated future cash flows calculated using the refinancing rate applied to the same type of instruments for the remaining maturity. The fair values of bonds are based on the present value of future cash flows calculated using the rate derived from the data on the yields of benchmark bonds and publicly-offered subordinated bonds published by securities firms.

7) Trading liabilities:

The fair values of bonds sold for short sales and other securities for trading purposes are, in principle, based on their market prices as of the end of the fiscal year.

9) Foreign exchanges:

The fair values of foreign currency-denominated deposits without maturity received from other banks are based on their book values.

The fair values of foreign exchange related short-term borrowings are based on their book values, as their book values are considered to approximate their fair values.

Derivatives transactions

The fair values of exchange-traded derivatives are based on their closing prices. With regard to OTC transactions, the fair values of interest rate, currency, stock, bond and credit derivatives are based on their prices calculated based on the present value of the future cash flows, option valuation models, etc. The fair values of commodity derivatives transactions are based on their prices calculated based on the derivative instrument's components, including price and contract term.

(3) Consolidated balance sheet amounts of financial instruments whose fair values are extremely difficult to determine are as follows:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Monetary claims bought:			
Monetary claims bought without market prices*1	¥ 5,168	¥ 5,845	\$ 50
Securities:			
Unlisted stocks, etc.*2, 4	261,627	268,535	2,543
Investments in partnership, etc.*3, 4	333,409	341,945	3,241
Total	¥600,204	¥616,326	\$5,834

*1 They are beneficiary claims that (a) behave more like equity than debt, (b) do not have market prices, and (c) it is difficult to rationally estimate fair values.

*2 They are not included in the scope of fair value disclosure since there are no market prices and it is extremely difficult to determine their fair values.

*3 They are capital contributions with no market prices. The above-stated amount includes the book value amount of investments in the partnership of which the SMFG records net changes in their balance sheets and statements of income.

*4 Unlisted stocks and investments in partnership totaling ¥9,781 million (\$95 million) and ¥5,603 million were written-off in the fiscal years ended March 31, 2014 and 2013, respectively.

(4) Redemption schedule of monetary claims and securities with maturities

March 31	Millions of yen			
	2014			
	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits with banks	¥31,693,895	¥ 33,586	¥ 24,359	¥ 841
Call loans and bills bought	1,189,456	57,267	1,511	—
Receivables under resale agreements	360,564	162,296	—	—
Receivables under securities borrowing transactions	3,726,510	53,750	—	—
Monetary claims bought*1	2,799,998	466,522	62,526	213,170
Securities*1	6,951,602	11,799,348	2,863,479	544,298
Bonds classified as held-to-maturity	1,105,218	3,394,784	22,000	—
Japanese government bonds	1,045,000	3,260,000	20,000	—
Japanese local government bonds	32,783	69,504	—	—
Japanese corporate bonds	27,434	65,280	1,500	—
Other	—	—	500	—
Other securities with maturity	5,846,384	8,404,564	2,841,479	544,298
Japanese government bonds	3,672,565	4,740,788	1,429,700	30,000
Japanese local government bonds	45,454	58,074	5,323	13,688
Japanese corporate bonds	584,032	1,680,106	479,465	68,137
Other	1,544,332	1,925,594	926,991	432,472
Loans and bills discounted*1, 2	14,389,526	28,161,118	10,388,550	9,118,951
Foreign exchanges*1	1,777,457	10,651	—	—
Lease receivables and investment assets*1	522,275	972,413	151,545	42,117
Total	¥63,411,286	¥41,716,955	¥13,491,972	¥9,919,379

Millions of yen				
2013				
March 31	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits with banks	¥ 9,772,670	¥ 11,211	¥ —	¥ —
Call loans and bills bought	1,333,721	20,024	—	—
Receivables under resale agreements	205,025	68,192	—	—
Receivables under securities borrowing transactions	3,494,398	—	—	—
Monetary claims bought* ^{1, 2}	1,013,317	216,129	86,143	200,559
Securities* ¹	9,733,436	23,314,246	3,146,358	635,641
Bonds classified as held-to-maturity	1,314,759	4,403,679	112,000	—
Japanese government bonds	1,180,000	4,215,000	110,000	—
Japanese local government bonds	57,477	101,175	—	—
Japanese corporate bonds	77,282	87,504	1,500	—
Other	—	—	500	—
Other securities with maturity	8,418,676	18,910,566	3,034,358	635,641
Japanese government bonds	6,935,299	12,023,326	2,381,700	5,000
Japanese local government bonds	28,145	163,468	1,289	40
Japanese corporate bonds	527,501	1,908,257	287,634	61,081
Other	927,729	4,815,515	363,734	569,519
Loans and bills discounted* ^{1, 2}	14,162,034	25,421,519	9,822,057	8,662,488
Foreign exchanges* ¹	2,221,938	1,868	—	—
Lease receivables and investment assets* ¹	529,689	877,062	122,531	36,684
Total	¥42,466,232	¥49,930,255	¥13,177,090	¥9,535,374

Millions of U.S. dollars				
2014				
March 31	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits with banks	\$308,067	\$ 326	\$ 237	\$ 8
Call loans and bills bought	11,562	557	15	—
Receivables under resale agreements	3,505	1,578	—	—
Receivables under securities borrowing transactions	36,222	522	—	—
Monetary claims bought* ¹	27,216	4,535	608	2,072
Securities* ¹	67,570	114,690	27,833	5,291
Bonds classified as held-to-maturity	10,743	32,998	214	—
Japanese government bonds	10,157	31,687	194	—
Japanese local government bonds	319	676	—	—
Japanese corporate bonds	267	635	15	—
Other	—	—	5	—
Other securities with maturity	56,827	81,693	27,619	5,291
Japanese government bonds	35,698	46,081	13,897	292
Japanese local government bonds	442	564	52	133
Japanese corporate bonds	5,677	16,331	4,660	662
Other	15,011	18,717	9,010	4,204
Loans and bills discounted* ^{1, 2}	139,867	273,728	100,977	88,637
Foreign exchanges* ¹	17,277	104	—	—
Lease receivables and investment assets* ¹	5,077	9,452	1,473	409
Total	\$616,362	\$405,491	\$131,143	\$96,417

*¹ The amounts shown in the table above do not include amounts for claims on bankrupt borrowers, effectively bankrupt borrowers and potentially bankrupt borrowers and other claims for which redemption is unlikely. The amounts for such claims are as follows:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Monetary claims bought	¥ 924	¥ 69	\$ 9
Securities	18,145	33,995	176
Loans and bills discounted	891,610	1,080,983	8,667
Foreign exchanges	2,297	2,620	22
Lease receivables and investment assets	20,595	20,513	200

*² Does not include "Loans and bills discounted" without tenure totaling ¥5,272,610 million (\$51,250 million) at March 31, 2014. Does not include "Monetary claims bought" and "Loans and bills discounted" without tenure totaling ¥8,277 million and ¥6,482,020 million at March 31, 2013, respectively.

(5) Redemption schedule of bonds, borrowed money and other interest-bearing debts

Millions of yen				
2014				
March 31	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits*	¥ 89,294,943	¥4,255,371	¥ 469,026	¥ 312,583
Negotiable certificates of deposit	12,969,724	739,755	3,948	111
Call money and bills sold	4,112,428	—	—	—
Payables under repurchase agreements	1,710,101	—	—	—
Payables under securities lending transactions	5,330,974	—	—	—
Commercial paper	2,374,051	—	—	—
Borrowed money	4,825,675	1,047,801	795,200	352,164
Foreign exchanges	451,658	—	—	—
Short-term bonds	1,145,200	—	—	—
Bonds	517,603	2,474,114	1,742,962	359,825
Due to trust account	699,329	—	—	—
Total	¥123,431,691	¥8,517,041	¥3,011,137	¥1,024,684

Millions of yen				
2013				
March 31	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits*	¥ 84,003,627	¥4,504,407	¥ 310,546	¥263,230
Negotiable certificates of deposit	11,266,119	489,535	—	—
Call money and bills sold	2,954,051	—	—	—
Payables under repurchase agreements	2,076,791	—	—	—
Payables under securities lending transactions	4,433,835	—	—	—
Commercial paper	1,499,499	—	—	—
Borrowed money	2,845,802	1,224,348	573,101	336,207
Foreign exchanges	337,901	—	—	—
Short-term bonds	1,126,300	—	—	—
Bonds	513,696	2,314,988	1,615,690	308,847
Due to trust account	643,350	—	—	—
Total	¥111,700,975	¥8,533,279	¥2,499,338	¥908,285

Millions of U.S. dollars				
2014				
March 31	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits*	\$ 867,952	\$41,362	\$ 4,559	\$3,038
Negotiable certificates of deposit	126,067	7,190	38	1
Call money and bills sold	39,973	—	—	—
Payables under repurchase agreements	16,622	—	—	—
Payables under securities lending transactions	51,817	—	—	—
Commercial paper	23,076	—	—	—
Borrowed money	46,906	10,185	7,729	3,423
Foreign exchanges	4,390	—	—	—
Short-term bonds	11,131	—	—	—
Bonds	5,031	24,049	16,942	3,498
Due to trust account	6,798	—	—	—
Total	\$1,199,764	\$82,786	\$29,268	\$9,960

* Demand deposits are included in "Within 1 year." Deposits include current deposits.

28. Securities and Money Held in Trust

(1) Securities

The amounts shown in the following tables include trading securities and short-term bonds classified as “Trading assets,” negotiable certificates of deposit bought classified as “Deposits with banks,” and beneficiary claims on loan trusts classified as “Monetary claims bought,” in addition to “Securities” stated in the consolidated balance sheets.

(a) Securities classified as trading purposes

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Valuation gains (losses) included in the earnings for the fiscal year.....	¥(14,077)	¥36,731	\$(137)

(b) Bonds classified as held-to-maturity

	Millions of yen		
	2014		
March 31	Consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
Bonds with unrealized gains:			
Japanese government bonds	¥4,061,397	¥4,093,197	¥31,800
Japanese local government bonds	100,697	101,543	845
Japanese corporate bonds	86,478	87,781	1,303
Other.....	500	501	1
Subtotal	¥4,249,072	¥4,283,023	¥33,950
Bonds with unrealized losses:			
Japanese government bonds	¥ 269,773	¥ 269,649	¥ (124)
Japanese local government bonds	1,883	1,881	(1)
Japanese corporate bonds	7,820	7,793	(26)
Other.....	8,300	8,300	—
Subtotal	¥ 287,777	¥ 287,623	¥ (153)
Total	¥4,536,849	¥4,570,647	¥33,797

	Millions of yen		
	2013		
March 31	Consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
Bonds with unrealized gains:			
Japanese government bonds	¥5,244,786	¥5,301,500	¥56,714
Japanese local government bonds	158,758	160,657	1,899
Japanese corporate bonds	165,154	167,728	2,574
Other.....	500	503	3
Subtotal	¥5,569,198	¥5,630,390	¥61,191
Bonds with unrealized losses:			
Japanese government bonds	¥ 269,713	¥ 269,676	¥ (37)
Japanese local government bonds	373	372	(0)
Japanese corporate bonds	1,227	1,223	(3)
Other.....	11,599	11,599	—
Subtotal	¥ 282,913	¥ 282,871	¥ (41)
Total	¥5,852,111	¥5,913,262	¥61,150

March 31	Millions of U.S. dollars		
	2014		
	Consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
Bonds with unrealized gains:			
Japanese government bonds	\$39,477	\$39,786	\$309
Japanese local government bonds	979	987	8
Japanese corporate bonds	841	853	13
Other	5	5	0
Subtotal	\$41,301	\$41,631	\$330
Bonds with unrealized losses:			
Japanese government bonds	\$ 2,622	\$ 2,621	\$ (1)
Japanese local government bonds	18	18	(0)
Japanese corporate bonds	76	76	(0)
Other	81	81	—
Subtotal	\$ 2,797	\$ 2,796	\$ (1)
Total	\$44,098	\$44,427	\$329

(c) Other securities

March 31	Millions of yen		
	2014		
	Consolidated balance sheet amount	Acquisition cost	Net unrealized gains (losses)
Other securities with unrealized gains:			
Stocks	¥ 2,578,401	¥ 1,392,250	¥1,186,150
Bonds	11,619,291	11,549,452	69,838
Japanese government bonds	8,875,576	8,852,077	23,499
Japanese local government bonds	117,529	116,816	713
Japanese corporate bonds	2,626,184	2,580,558	45,625
Other	3,743,438	3,475,716	267,722
Subtotal	¥17,941,130	¥16,417,419	¥1,523,711
Other securities with unrealized losses:			
Stocks	¥ 359,736	¥ 414,743	¥ (55,006)
Bonds	1,278,413	1,282,658	(4,245)
Japanese government bonds	1,035,648	1,036,692	(1,044)
Japanese local government bonds	7,017	7,045	(27)
Japanese corporate bonds	235,747	238,920	(3,173)
Other	2,686,803	2,746,270	(59,466)
Subtotal	¥ 4,324,953	¥ 4,443,672	¥ (118,718)
Total	¥22,266,083	¥20,861,091	¥1,404,992

March 31	Millions of yen		
	2013		
	Consolidated balance sheet amount	Acquisition cost	Net unrealized gains (losses)
Other securities with unrealized gains:			
Stocks	¥ 2,143,981	¥ 1,276,872	¥ 867,109
Bonds	22,538,258	22,426,056	112,202
Japanese government bonds	19,823,867	19,759,082	64,785
Japanese local government bonds	194,380	192,766	1,614
Japanese corporate bonds	2,520,010	2,474,207	45,802
Other	5,705,192	5,427,931	277,260
Subtotal	¥30,387,433	¥29,130,860	¥1,256,572
Other securities with unrealized losses:			
Stocks	¥ 403,579	¥ 499,451	¥ (95,872)
Bonds	1,987,069	1,990,951	(3,881)
Japanese government bonds	1,656,071	1,656,285	(214)
Japanese local government bonds	2,371	2,384	(13)
Japanese corporate bonds	328,627	332,281	(3,653)
Other	2,382,377	2,417,597	(35,220)
Subtotal	¥ 4,773,026	¥ 4,908,000	¥ (134,973)
Total	¥35,160,459	¥34,038,861	¥1,121,598

	Millions of U.S. dollars		
	2014		
	Consolidated balance sheet amount	Acquisition cost	Net unrealized gains (losses)
March 31			
Other securities with unrealized gains:			
Stocks	\$ 25,062	\$ 13,533	\$11,529
Bonds	112,940	112,261	679
Japanese government bonds	86,271	86,043	228
Japanese local government bonds	1,142	1,135	7
Japanese corporate bonds	25,527	25,083	443
Other	36,386	33,784	2,602
Subtotal	\$174,389	\$159,578	\$14,811
Other securities with unrealized losses:			
Stocks	\$ 3,497	\$ 4,031	\$ (535)
Bonds	12,426	12,468	(41)
Japanese government bonds	10,067	10,077	(10)
Japanese local government bonds	68	68	(0)
Japanese corporate bonds	2,291	2,322	(31)
Other	26,116	26,694	(578)
Subtotal	\$ 42,039	\$ 43,193	\$ (1,154)
Total	\$216,428	\$202,771	\$13,657

Notes: 1. Net unrealized gains (losses) on other securities shown above include gains of ¥17,031 million (\$166 million) for the fiscal year ended March 31, 2014 and ¥29,831 million for the fiscal year ended March 31, 2013 that are recognized in the fiscal year's earnings by applying fair value hedge accounting.

2. Consolidated balance sheet amounts of other securities whose fair values are extremely difficult to determine are as follows:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Stocks	¥247,357	¥259,145	\$2,404
Other	352,847	357,180	3,430
Total	¥600,204	¥616,326	\$5,834

These amounts are not included in "(c) Other securities" since there are no market prices and it is extremely difficult to determine their fair values.

(d) Held-to-maturity bonds sold during the fiscal year ended March 31, 2014 and 2013

There are no corresponding transactions.

(e) Consolidated balance sheet amounts of other securities sold during the fiscal year ended March 31, 2014 and 2013

Year ended March 31	Millions of yen		
	2014		
	Sales amount	Gains on sales	Losses on sales
Stocks	¥ 95,368	¥ 40,211	¥ (6,797)
Bonds	16,975,280	14,767	(8,338)
Japanese government bonds	16,603,340	13,195	(7,591)
Japanese local government bonds	139,552	350	(294)
Japanese corporate bonds	232,386	1,220	(453)
Other	9,561,019	93,937	(19,319)
Total	¥26,631,667	¥148,915	¥(34,455)

Year ended March 31	Millions of yen		
	2013		
	Sales amount	Gains on sales	Losses on sales
Stocks	¥ 85,334	¥ 19,436	¥(25,912)
Bonds	26,982,437	60,772	(7,845)
Japanese government bonds	26,558,059	59,471	(7,730)
Japanese local government bonds	140,003	542	(85)
Japanese corporate bonds	284,375	758	(29)
Other	19,715,537	110,118	(29,874)
Total	¥46,783,309	¥190,326	¥(63,632)

Year ended March 31	Millions of U.S. dollars		
	2014		
	Sales amount	Gains on sales	Losses on sales
Stocks.....	\$ 927	\$ 391	\$ (66)
Bonds.....	165,001	144	(81)
Japanese government bonds.....	161,385	128	(74)
Japanese local government bonds.....	1,356	3	(3)
Japanese corporate bonds.....	2,259	12	(4)
Other.....	92,934	913	(188)
Total.....	\$258,861	\$1,447	\$(335)

(f) Change of classification of securities

There are no corresponding transactions.

(g) Write-down of securities

Bonds classified as held-to-maturity and other securities (excluding securities whose fair value are extremely difficult to determine) are considered as impaired if the fair value of the securities declines materially below the acquisition cost and such decline is not considered to be recoverable. The securities are recognized at fair value on the consolidated balance sheet and the amount of write-down is accounted for as valuation loss for the fiscal year. Valuation losses for the fiscal years ended March 31, 2014 and 2013 were ¥7,250 million (\$70 million) and ¥34,340 million, respectively. 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:	Fair value is lower than acquisition cost.
Issuers requiring caution:	Fair value is 30% or more lower than acquisition cost.
Normal issuers:	Fair value is 50% or more lower than acquisition cost.

Bankrupt issuers: Issuers that are legally bankrupt or formally declared bankrupt.

Effectively bankrupt issuers: Issuers that are not legally bankrupt but regarded as substantially bankrupt.

Potentially bankrupt issuers: Issuers that are not bankrupt now, but are perceived to have a high risk of falling into bankruptcy.

Issuers requiring caution: Issuers that are identified for close monitoring.

Normal issuers: Issuers other than the above four categories of issuers.

(2) Money held in trust

(a) Money held in trust classified as trading purposes

There are no corresponding transactions.

(b) Money held in trust classified as held-to-maturity

There are no corresponding transactions.

(c) Other money held in trust

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Consolidated balance sheet amount.....	¥23,120	¥22,789	\$225
Acquisition cost.....	23,120	22,778	225
Net unrealized gains (losses).....	—	10	—
Unrealized gains.....	—	10	—
Unrealized losses.....	—	—	—

Note: “Unrealized gains” and “Unrealized losses” are breakdowns of “Net unrealized gains (losses)” respectively.

(3) Net unrealized gains on other securities and other money held in trust

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Net unrealized gains.....	¥1,388,101	¥1,092,274	\$13,492
Other securities.....	1,388,101	1,092,264	13,492
Other money held in trust.....	—	10	—
(-) Deferred tax liabilities.....	404,307	310,233	3,930
Net unrealized gains on other securities (before following adjustment).....	983,793	782,041	9,563
(-) Minority interests.....	35,188	29,086	342
(+) SMFG's interest in net unrealized gains on valuation of other securities held by the equity method affiliates.....	902	2,798	9
Net unrealized gains on other securities.....	¥ 949,508	¥ 755,753	\$ 9,229

Notes: 1. Gains of ¥17,031 million (\$166 million) for the fiscal year ended March 31, 2014 and ¥29,831 million for the fiscal year ended March 31, 2013 recognized in the fiscal year's earnings by applying fair value hedge accounting are deducted from net unrealized gains on other securities.

2. Net unrealized gains on other securities include foreign currency translation adjustments on foreign currency denominated securities whose fair value is extremely difficult to determine.

29. Derivative Transactions

(1) Derivative transactions to which the hedge accounting method is not applied

The following tables set forth the contract amount or the amount equivalent to the notional amount, fair value, valuation gains (losses) and fair value calculation methodologies by type of derivative with respect to derivative transactions to which the hedge accounting method is not applied at the end of the fiscal year. Contract amount does not indicate the market risk relating to derivative transactions.

(a) Interest rate derivatives

March 31	Millions of yen			
	2014			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Interest rate futures:				
Sold.....	¥ 28,829,810	¥ 13,631,032	¥ (8,873)	¥ (8,873)
Bought.....	28,567,999	13,072,376	8,388	8,388
Interest rate options:				
Sold.....	782,288	443,131	(66)	(66)
Bought.....	26,838,675	14,265,117	4,243	4,243
Over-the-counter				
Forward rate agreements:				
Sold.....	5,077,154	—	301	301
Bought.....	4,789,752	—	(224)	(224)
Interest rate swaps:	429,987,250	351,524,820	86,984	86,984
Receivable fixed rate/payable floating rate	201,751,044	167,035,674	4,013,795	4,013,795
Receivable floating rate/payable fixed rate	201,398,583	164,390,178	(3,930,933)	(3,930,933)
Receivable floating rate/payable floating rate.....	26,692,561	19,955,612	(2,864)	(2,864)
Interest rate swaptions:				
Sold.....	2,742,490	1,537,970	5,529	5,529
Bought.....	1,925,738	1,418,490	12,574	12,574
Caps:				
Sold.....	14,761,826	10,254,207	(24,927)	(24,927)
Bought.....	6,463,984	4,583,241	4,137	4,137
Floors:				
Sold	578,076	328,062	(885)	(885)
Bought.....	158,814	48,770	2,282	2,282
Other:				
Sold.....	768,378	665,087	11,697	11,697
Bought.....	3,107,097	2,364,787	(134)	(134)
Total.....	/	/	¥ 101,027	¥ 101,027

March 31	Millions of yen			
	2013			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Interest rate futures:				
Sold.....	¥ 21,572,140	¥ 4,963,621	¥ (5,339)	¥ (5,339)
Bought.....	20,511,203	4,707,254	4,575	4,575
Interest rate options:				
Sold.....	254,486	123,780	(65)	(65)
Bought.....	11,402,713	4,063,212	450	450
Over-the-counter				
Forward rate agreements:				
Sold.....	3,097,651	—	461	461
Bought.....	2,649,874	—	(507)	(507)
Interest rate swaps:				
Receivable fixed rate/payable floating rate.....	396,830,384	316,834,888	68,978	68,978
Receivable floating rate/payable fixed rate.....	184,255,645	150,002,766	6,851,752	6,851,752
Receivable floating rate/payable fixed rate.....	186,042,853	148,516,797	(6,780,304)	(6,780,304)
Receivable floating rate/payable floating rate.....	26,416,803	18,223,607	(7,528)	(7,528)
Interest rate swaptions:				
Sold.....	2,921,053	1,712,745	711	711
Bought.....	2,404,120	1,656,899	11,641	11,641
Caps:				
Sold.....	13,771,179	7,555,232	(624)	(624)
Bought.....	7,023,311	4,411,178	(2,553)	(2,553)
Floors:				
Sold.....	212,166	143,963	(3,534)	(3,534)
Bought.....	154,884	133,779	4,009	4,009
Other:				
Sold.....	171,867	139,814	22,927	22,927
Bought.....	2,310,792	1,698,266	(6,433)	(6,433)
Total.....	/	/	¥ 94,697	¥ 94,697

March 31	Millions of U.S. dollars			
	2014			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Interest rate futures:				
Sold.....	\$ 280,228	\$ 132,494	\$ (86)	\$ (86)
Bought.....	277,683	127,064	82	82
Interest rate options:				
Sold.....	7,604	4,307	(1)	(1)
Bought.....	260,874	138,658	41	41
Over-the-counter				
Forward rate agreements:				
Sold.....	49,350	—	3	3
Bought.....	46,557	—	(2)	(2)
Interest rate swaps:				
Receivable fixed rate/payable floating rate.....	4,179,503	3,416,843	845	845
Receivable floating rate/payable fixed rate.....	1,961,033	1,623,597	39,014	39,014
Receivable floating rate/payable fixed rate.....	1,957,607	1,597,883	(38,209)	(38,209)
Receivable floating rate/payable floating rate.....	259,453	193,970	(28)	(28)
Interest rate swaptions:				
Sold.....	26,657	14,949	54	54
Bought.....	18,718	13,788	122	122
Caps:				
Sold.....	143,486	99,672	(242)	(242)
Bought.....	62,830	44,549	40	40
Floors:				
Sold.....	5,619	3,189	(9)	(9)
Bought.....	1,544	474	22	22
Other:				
Sold.....	7,469	6,465	114	114
Bought.....	30,201	22,986	(1)	(1)
Total.....	/	/	\$ 982	\$ 982

Notes: 1. The above transactions are valued at fair value and the valuation gains (losses) are accounted for in the consolidated statements of income.

2. Fair value of transactions listed on exchange is calculated using the closing prices on the Tokyo Financial Exchange or other relevant exchanges.

Fair value of OTC transactions is calculated using discounted present value and option pricing models.

(b) Currency derivatives

Millions of yen				
2014				
March 31	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Currency futures:				
Sold.....	¥ 70,439	¥ —	¥ 31	¥ 31
Bought.....	13	—	0	0
Over-the-counter				
Currency swaps.....	22,084,755	15,372,964	445,125	31,029
Currency swaptions:				
Sold.....	202,168	196,919	(101)	(101)
Bought.....	338,266	313,407	480	480
Forward foreign exchange.....	50,921,507	3,687,400	(68,956)	(68,956)
Currency options:				
Sold.....	2,567,685	1,238,886	(163,998)	(163,998)
Bought.....	2,386,911	1,096,745	121,475	121,475
Total	/	/	¥334,057	¥ (80,039)
Millions of yen				
2013				
March 31	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Currency futures:				
Sold.....	¥ 47,549	¥ —	¥ 45	¥ 45
Bought.....	21	—	0	0
Over-the-counter				
Currency swaps.....	21,453,976	14,141,154	(4,479)	(21,243)
Currency swaptions:				
Sold.....	422,405	271,989	(3,142)	(3,142)
Bought.....	809,571	478,117	8,197	8,197
Forward foreign exchange.....	42,212,725	3,549,857	64,824	64,824
Currency options:				
Sold.....	2,770,832	1,481,667	(179,925)	(179,925)
Bought.....	2,651,869	1,363,754	181,758	181,758
Total	/	/	¥ 67,277	¥ 50,513
Millions of U.S. dollars				
2014				
March 31	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Currency futures:				
Sold.....	\$ 685	\$ —	\$ 0	\$ 0
Bought.....	0	—	0	0
Over-the-counter				
Currency swaps.....	214,665	149,426	4,327	302
Currency swaptions:				
Sold.....	1,965	1,914	(1)	(1)
Bought.....	3,288	3,046	5	5
Forward foreign exchange.....	494,960	35,842	(670)	(670)
Currency options:				
Sold.....	24,958	12,042	(1,594)	(1,594)
Bought.....	23,201	10,660	1,181	1,181
Total	/	/	\$3,247	\$ (778)

Notes: 1. The above transactions are valued at fair value and the valuation gains (losses) are accounted for in the consolidated statements of income.

2. Fair value of transactions listed on exchange is calculated using the closing prices on the Tokyo Financial Exchange or other relevant exchanges.

Fair value of OTC transactions is calculated using discounted present value and option pricing models.

(c) Equity derivatives

March 31	Millions of yen			
	2014			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Equity price index futures:				
Sold.....	¥487,519	¥ —	¥ (2,819)	¥ (2,819)
Bought.....	205,511	—	920	920
Equity price index options:				
Sold.....	83,309	31,150	(4,733)	(4,733)
Bought.....	66,046	18,150	3,107	3,107
Over-the-counter				
Equity options:				
Sold.....	220,479	220,479	(25,656)	(25,656)
Bought.....	227,041	223,876	26,751	26,751
Equity index forward contracts:				
Sold.....	—	—	—	—
Bought.....	14,995	381	(262)	(262)
Equity index swaps:				
Receivable equity index/payable short-term floating rate.....	9,270	9,020	(975)	(975)
Receivable short-term floating rate/payable equity index.....	22,313	20,530	1,497	1,497
Total.....	/	/	¥ (2,169)	¥ (2,169)
March 31	Millions of yen			
	2013			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Equity price index futures:				
Sold.....	¥302,369	¥ —	¥ (9,376)	¥ (9,376)
Bought.....	94,137	—	1,391	1,391
Equity price index options:				
Sold.....	24,887	4,350	(860)	(860)
Bought.....	17,906	1,250	436	436
Over-the-counter				
Equity options:				
Sold.....	206,603	206,351	(47,769)	(47,769)
Bought.....	210,013	204,754	47,653	47,653
Equity index forward contracts:				
Sold.....	—	—	—	—
Bought.....	16,984	—	745	745
Equity index swaps:				
Receivable equity index/payable short-term floating rate.....	13,650	12,000	(101)	(101)
Receivable short-term floating rate/payable equity index.....	21,885	19,485	84	84
Total.....	/	/	¥ (7,796)	¥ (7,796)

March 31	Millions of U.S. dollars			
	2014			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Equity price index futures:				
Sold.....	\$4,739	\$ —	\$ (27)	\$ (27)
Bought.....	1,998	—	9	9
Equity price index options:				
Sold.....	810	303	(46)	(46)
Bought.....	642	176	30	30
Over-the-counter				
Equity options:				
Sold.....	2,143	2,143	(249)	(249)
Bought.....	2,207	2,176	260	260
Equity index forward contracts:				
Sold.....	—	—	—	—
Bought.....	146	4	(3)	(3)
Equity index swaps:				
Receivable equity index/payable short-term floating rate.....	90	88	(9)	(9)
Receivable short-term floating rate/payable equity index.....	217	200	15	15
Total.....	/	/	\$ (21)	\$ (21)

Notes: 1. The above transactions are valued at fair value and the valuation gains (losses) are accounted for in the consolidated statements of income.

2. Fair value of transactions listed on exchange is calculated using the closing price on the Osaka Exchange and other relevant exchanges at March 31, 2014. Fair value of transactions listed on exchange is calculated using the closing price on the Tokyo Stock Exchange and other relevant exchanges at March 31, 2013. Fair value of OTC transactions is calculated using option pricing models.

(d) Bond derivatives

March 31	Millions of yen			
	2014			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Bond futures:				
Sold.....	¥1,347,967	¥ —	¥4,517	¥4,517
Bought.....	1,291,682	—	(4,845)	(4,845)
Bond futures options:				
Sold.....	6,172	—	(13)	(13)
Bought.....	10,172	—	7	7
Over-the-counter				
Forward bond agreements:				
Sold.....	302	—	2	2
Bought.....	—	—	—	—
Bond options:				
Sold.....	77,673	—	(61)	(61)
Bought.....	199,487	121,065	880	880
Total.....	/	/	¥ 487	¥ 487

March 31	Millions of yen			
	2013			
	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Bond futures:				
Sold.....	¥4,093,218	¥ —	¥(28,436)	¥(28,436)
Bought.....	3,875,544	—	23,993	23,993
Bond futures options:				
Sold.....	57,278	—	(145)	(145)
Bought.....	26,980	—	2	2
Over-the-counter				
Bond options:				
Sold.....	138,870	—	(102)	(102)
Bought.....	198,900	104,126	558	558
Total.....	/	/	¥ (4,130)	¥ (4,130)

	Millions of U.S. dollars			
	2014			
	Contract amount		Fair value	Valuation gains (losses)
March 31	Total	Over 1 year		
Listed				
Bond futures:				
Sold.....	\$13,102	\$ —	\$44	\$44
Bought.....	12,555	—	(47)	(47)
Bond futures options:				
Sold.....	60	—	(0)	(0)
Bought.....	99	—	0	0
Over-the-counter				
Forward bond agreements:				
Sold.....	3	—	0	0
Bought.....	—	—	—	—
Bond options:				
Sold.....	755	—	(1)	(1)
Bought.....	1,939	1,177	9	9
Total.....	/	/	\$ 5	\$ 5

Notes: 1. The above transactions are valued at fair value and the valuation gains (losses) are accounted for in the consolidated statements of income.

2. Fair value of transactions listed on exchange is calculated using the closing price on the Osaka Exchange and other relevant exchanges at March 31, 2014. Fair value of transactions listed on exchange is calculated using the closing price on the Tokyo Stock Exchange and other relevant exchanges at March 31, 2013. Fair value of OTC transactions is calculated using discounted present value and option pricing models.

(e) Commodity derivatives

	Millions of yen			
	2014			
	Contract amount		Fair value	Valuation gains (losses)
March 31	Total	Over 1 year		
Listed				
Commodity futures:				
Sold.....	¥ 6,564	¥ —	¥ (88)	¥ (88)
Bought.....	7,201	—	90	90
Over-the-counter				
Commodity swaps:				
Receivable fixed price/payable floating price.....	95,227	71,255	(9,702)	(9,702)
Receivable floating price/payable fixed price.....	86,006	58,936	19,770	19,770
Receivable floating price/payable floating price.....	7,016	5,408	(668)	(668)
Commodity options:				
Sold.....	8,771	6,631	(197)	(197)
Bought.....	2,282	1,327	47	47
Total.....	/	/	¥ 9,250	¥ 9,250

	Millions of yen			
	2013			
	Contract amount		Fair value	Valuation gains (losses)
March 31	Total	Over 1 year		
Listed				
Commodity futures:				
Sold.....	¥ 2,472	¥ —	¥ (84)	¥ (84)
Bought.....	913	—	43	43
Over-the-counter				
Commodity swaps:				
Receivable fixed price/payable floating price.....	115,493	85,791	(18,951)	(18,951)
Receivable floating price/payable fixed price.....	95,861	69,325	37,496	37,496
Receivable floating price/payable floating price.....	11,303	9,556	(333)	(333)
Commodity options:				
Sold.....	12,132	9,191	(99)	(99)
Bought.....	3,559	2,832	109	109
Total.....	/	/	¥18,181	¥18,181

Millions of U.S. dollars				
2014				
March 31	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Listed				
Commodity futures:				
Sold.....	\$ 64	\$ —	\$ (1)	\$ (1)
Bought.....	70	—	1	1
Over-the-counter				
Commodity swaps:				
Receivable fixed price/payable floating price.....	926	693	(94)	(94)
Receivable floating price/payable fixed price.....	836	573	192	192
Receivable floating price/payable floating price.....	68	53	(6)	(6)
Commodity options:				
Sold.....	85	64	(2)	(2)
Bought.....	22	13	0	0
Total.....	/	/	\$ 90	\$ 90

Notes: 1. The above transactions are valued at fair value and the valuation gains (losses) are accounted for in the consolidated statements of income.

2. Fair value of transactions listed on exchange is calculated using the closing prices on the New York Mercantile Exchange or other relevant exchanges.

Fair value of OTC transactions is calculated based on factors such as price of the relevant commodity and contract term.

3. Commodity derivatives are transactions on fuel and metal.

(f) Credit derivative transactions

Millions of yen				
2014				
March 31	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Over-the-counter				
Credit default options:				
Sold.....	¥810,582	¥440,541	¥ 4,484	¥ 4,484
Bought.....	925,268	522,885	(7,037)	(7,037)
Total.....	/	/	¥(2,552)	¥(2,552)

Millions of yen				
2013				
March 31	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Over-the-counter				
Credit default options:				
Sold.....	¥876,007	¥622,577	¥ (744)	¥ (744)
Bought.....	930,144	668,544	(444)	(444)
Total.....	/	/	¥(1,189)	¥(1,189)

Millions of U.S. dollars				
2014				
March 31	Contract amount		Fair value	Valuation gains (losses)
	Total	Over 1 year		
Over-the-counter				
Credit default options:				
Sold.....	\$7,879	\$4,282	\$ 44	\$ 44
Bought.....	8,994	5,082	(68)	(68)
Total.....	/	/	\$(25)	\$(25)

Notes: 1. The above transactions are valued at fair value and the valuation gains (losses) are accounted for in the consolidated statements of income.

2. Fair value is calculated using discounted present value and option pricing models.

3. "Sold" represents transactions in which the credit risk is accepted; "Bought" represents transactions in which the credit risk is transferred.

(2) Derivative transactions to which the hedge accounting method is applied

The following tables set forth the contract amount or the amount equivalent to the notional amount, fair value, valuation gains (losses) and fair value calculation methodologies by type of derivative and hedge accounting method with respect to derivative transactions to which the hedge accounting method is applied at the end of the fiscal year. Contract amount does not indicate the market risk relating to derivative transactions.

(a) Interest rate derivatives

			Millions of yen		
			2014		
			Contract amount		Fair value
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	
Deferral hedge method	Interest futures:	Interest-earning/bearing financial assets/liabilities			
	Sold.....	such as loans and bills	¥ 823,040	¥ 823,040	¥ 24
	Bought.....		—	—	—
	Interest rate swaps:	discounted, other securities (bonds), deposits and negotiable certificates of deposit	45,269,809	40,624,307	19,873
	Receivable fixed rate/payable floating rate.....		29,012,108	25,144,657	393,005
	Receivable floating rate/payable fixed rate.....		16,247,276	15,479,650	(373,123)
	Receivable floating rate/payable floating rate.....		10,423	—	(8)
	Interest rate swaptions:				
	Sold.....		11,543	11,543	154
	Bought.....		—	—	—
	Caps:				
	Sold.....		23,267	18,139	383
	Bought.....		23,267	18,139	(383)
Recognition of gain or loss on the hedged items	Interest rate swaps:	Loans and bills discounted	211,678	173,544	(4,588)
	Receivable floating rate/payable fixed rate.....		18,475	8,581	(482)
	Receivable floating rate/payable floating rate.....		193,202	164,962	(4,105)
Special treatment for interest rate swaps	Interest rate swaps:	Loans and bills discounted;	90,591	76,689	
	Receivable floating rate/payable fixed rate.....	borrowed money; bonds	85,591	73,689	(Note 3)
	Receivable floating rate/payable floating rate.....		5,000	3,000	
Total.....			/	/	¥ 15,464

			Millions of yen		
			2013		
			Contract amount		Fair value
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	
Deferral hedge method	Interest futures:	Interest-earning/bearing financial assets/liabilities			
	Sold.....	such as loans and bills	¥ 94,056	¥ 94,056	¥ (18)
	Bought.....		1,985,000	—	675
	Interest rate swaps:	discounted, other securities (bonds), deposits and negotiable certificates of deposit	39,492,082	36,189,984	49,356
	Receivable fixed rate/payable floating rate.....		25,598,136	23,250,742	601,178
	Receivable floating rate/payable fixed rate.....		13,877,319	12,922,615	(551,782)
	Receivable floating rate/payable floating rate.....		16,626	16,626	(39)
	Interest rate swaptions:				
	Sold.....		11,222	11,222	262
	Bought.....		—	—	—
	Caps:				
	Sold.....		4,112	4,112	251
	Bought.....		4,112	4,112	(251)
Recognition of gain or loss on the hedged items	Interest rate swaps:	Loans and bills discounted	83,607	76,029	(6,879)
	Receivable floating rate/payable fixed rate.....		83,607	76,029	(6,879)
Special treatment for interest rate swaps	Interest rate swaps:	Loans and bills discounted;	98,437	51,391	
	Receivable fixed rate/payable floating rate.....	borrowed money; bonds	1,000	—	
	Receivable floating rate/payable fixed rate.....		89,437	46,391	(Note 3)
	Receivable floating rate/payable floating rate.....		8,000	5,000	
Total.....			/	/	¥ 43,395

March 31

			Millions of U.S. dollars		
			2014		
			Contract amount		Fair value
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	
Deferral hedge method	Interest futures:	Interest-earning/bearing			
	Sold.....	financial assets/liabilities	\$ 8,000	\$ 8,000	\$ 0
	Bought.....	such as loans and bills	—	—	—
	Interest rate swaps:	discounted, other securi-	440,025	394,871	193
	Receivable fixed rate/payable floating rate	ties (bonds), deposits and	281,999	244,408	3,820
	Receivable floating rate/payable fixed rate	negotiable certificates of	157,925	150,463	(3,627)
	Receivable floating rate/payable floating rate...	deposit	101	—	(0)
	Interest rate swaptions:				
	Sold.....		112	112	1
	Bought.....		—	—	—
	Caps:				
Recognition of gain or loss on the hedged items	Sold.....		226	176	4
	Bought.....		226	176	(4)
	Interest rate swaps:	Loans and bills discounted	2,058	1,687	(45)
Special treatment for interest rate swaps	Receivable floating rate/payable fixed rate		180	83	(5)
	Receivable floating rate/payable floating rate...		1,878	1,603	(40)
	Interest rate swaps:	Loans and bills discounted;	881	745	
	Receivable floating rate/payable fixed rate	borrowed money; bonds	832	716	(Note 3)
	Receivable floating rate/payable floating rate...		49	29	
	Total.....		/	/	\$ 150

Notes: 1. SMFG applies deferred hedge accounting stipulated in "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Audit Committee Report No. 24).

2. Fair value of transactions listed on exchange is calculated using the closing prices on the Tokyo Financial Exchange or other relevant exchanges.

Fair value of OTC transactions is calculated using discounted present value and option pricing models.

3. Interest rate swap amounts measured by the special treatment for interest rate swaps are treated with the borrowed money or other transactions that are subject to the hedge. Therefore such fair value is included in the fair value of the relevant transaction subject to the hedge in "27. Financial Instruments."

(b) Currency derivatives

March 31

			Millions of yen		
			2014		
			Contract amount		Fair value
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	
Deferral hedge method	Currency swap	Foreign currency denomi-	¥5,002,828	¥3,567,270	¥(500,931)
	Forward foreign exchange	nated loans and bills	24,659	—	208
		discounted; other securities			
		(bonds); deposits; foreign			
		currency exchange, etc.			
Recognition of gain or loss on the hedged items	Currency swaps.....	Loans and bills discounted;	34,642	6,075	3,350
	Forward foreign exchange	foreign currency exchange	309,265	14,658	910
Allocation method	Currency swap	Other securities (bonds);	28,466	24,870	
	Forward foreign exchange	borrowed money	3,720	—	(Note 3)
	Total.....		/	/	¥(496,461)

March 31			Millions of yen		
			2013		
			Contract amount		Fair value
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	
Deferral hedge method	Currency swap.....	Foreign currency denominated loans and bills discounted; other securities (bonds); deposits; foreign currency exchange, etc.	¥4,439,554	¥2,856,987	¥(180,171)
	Forward foreign exchange.....		18,153	—	(492)
Recognition of gain or loss on the hedged items	Currency swaps.....	Loans and bills discounted; foreign currency exchange	31,665	28,208	(2,342)
	Forward foreign exchange.....		277,155	—	(2,671)
Allocation method	Currency swap.....	Other securities (bonds); borrowed money	10,897	9,087	(Note 3)
	Forward foreign exchange.....		3,179	3,179	
Total.....			/	/	¥(185,677)

March 31			Millions of U.S. dollars		
			2014		
			Contract amount		Fair value
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	
Deferral hedge method	Currency swap.....	Foreign currency denominated loans and bills discounted; other securities (bonds); deposits; foreign currency exchange, etc.	\$48,628	\$34,674	\$(4,869)
	Forward foreign exchange.....		240	—	2
Recognition of gain or loss on the hedged items	Currency swap.....	Loans and bills discounted; foreign currency exchange	337	59	33
	Forward foreign exchange.....		3,006	142	9
Allocation method	Currency swap.....	Other securities (bonds); borrowed money	277	242	(Note 3)
	Forward foreign exchange.....		36	—	
	Total.....		/	/	

Notes: 1. SMFG applies deferred hedge accounting stipulated in "Treatment for Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Audit Committee Report No. 25).

2. Fair value is calculated using discounted present value.

3. Forward foreign exchange amounts treated by the allocation method are treated with the other securities or other transactions that are subject to the hedge. Therefore such fair value is included in the fair value of the relevant transaction subject to the hedge in "27. Financial Instruments."

(c) Equity derivatives

			Millions of yen		
			2014		
			Contract amount		
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	Fair value
Recognition of gain or loss on the hedged items	Equity price index swaps:	Other securities (equity)			
	Receivable equity index/payable floating rate...		¥ —	¥ —	¥ —
	Receivable floating rate/payable equity index...		115,244	59,945	3,483
	Total.....		/	/	¥3,483

March 31			Millions of yen		
			2013		
			Contract amount		
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	Fair value
Recognition of gain or loss on the hedged items	Equity price index swaps:	Other securities (equity)			
	Receivable equity index/payable floating rate...		¥ —	¥ —	¥ —
	Receivable floating rate/payable equity index...		158,716	66,668	(24,100)
	Total.....		/	/	¥(24,100)

			Millions of U.S. dollars		
			2014		
			Contract amount		
Hedge accounting method	Type of derivative	Principal items hedged	Total	Over 1 year	Fair value
Recognition of gain or loss on the hedged items	Equity price index swaps:	Other securities (equity)			
	Receivable equity index/payable floating rate...		\$ —	\$ —	\$—
	Receivable floating rate/payable equity index...		1,120	583	34
	Total.....		/	/	\$34

Note: Fair value is calculated using discounted present value.

30. Employee Retirement Benefits

Fiscal year ended March 31, 2014

(1) Outline of employee retirement benefits

Consolidated subsidiaries of SMFG have funded and unfunded contributory defined benefit pension plans and defined-contribution pension plans for benefit payments to their employees.

Funded contributory defined benefit pension plans mainly consist of contributory funded defined benefit pension plans and lump-sum severance indemnity plans which set up employee retirement benefit trusts.

Unfunded contributory defined benefit pension plans are lump-sum severance indemnity plans which do not use such trust scheme.

Some consolidated subsidiaries adopt the simplified method in calculating the projected benefit obligation. Additional benefits may also be granted when employees retire.

(2) Contributory defined benefit pension plan

(a) Reconciliation of beginning and ending balances of projected benefit obligation

	Millions of yen	Millions of U.S. dollars
Year ended March 31	2014	2014
Beginning balance of projected benefit obligation	¥1,117,085	\$10,858
Service cost	30,713	299
Interest cost on projected benefit obligation.....	17,115	166
Unrecognized net actuarial gain or loss incurred	(19,815)	(193)
Payments of retirement benefits.....	(56,367)	(548)
Unrecognized prior service cost.....	(74)	(1)
Other.....	631	6
Ending balance of projected benefit obligation	¥1,089,286	\$10,588

(b) Reconciliation of beginning and ending balances of plan assets

	Millions of yen	Millions of U.S. dollars
Year ended March 31	2014	2014
Beginning balance of plan assets	¥1,036,130	\$10,071
Expected return on plan assets	31,068	302
Unrecognized net actuarial gain or loss incurred	90,050	875
Contributions by the employer	46,496	452
Payments of retirement benefits.....	(41,077)	(399)
Other.....	1,165	11
Ending balance of plan assets.....	¥1,163,834	\$11,313

(c) Reconciliation of the projected benefit obligation and plan assets to net defined benefit asset and net defined benefit liability reported on the consolidated balance sheet

	Millions of yen	Millions of U.S. dollars
March 31	2014	2014
Funded projected benefit obligation	¥(1,055,829)	\$(10,263)
Plan assets	1,163,834	11,313
	108,004	1,050
Unfunded projected benefit obligation	(33,457)	(325)
Net amount of asset and liability reported on the consolidated balance sheet	¥ 74,547	\$ 725

	Millions of yen	Millions of U.S. dollars
March 31	2014	2014
Net defined benefit asset	¥119,932	\$1,166
Net defined benefit liability	(45,385)	(441)
Net amount of assets and liability reported on the consolidated balance sheet	¥ 74,547	\$ 725

(d) Pension expenses

	Millions of yen	Millions of U.S. dollars
Year ended March 31	2014	2014
Service cost	¥30,713	\$299
Interest cost on projected benefit obligation	17,115	166
Expected return on plan assets	(31,068)	(302)
Amortization of unrecognized net actuarial gain or loss	36,294	353
Amortization of unrecognized prior service cost	(182)	(2)
Other (nonrecurring additional retirement allowance paid and other)	1,325	13
Pension expenses	¥54,197	\$527

Note: Pension expenses of consolidated subsidiaries which adopt the simplified method are included in "Service cost."

(e) Remeasurements of defined benefit plans

The breakdown of "Remeasurements of defined benefit plans" (before deducting tax effect) is as shown below:

	Millions of yen	Millions of U.S. dollars
March 31	2014	2014
Unrecognized prior service cost	¥ (1,146)	\$ (11)
Unrecognized net actuarial gain or loss	116,198	1,129
Total	¥115,051	\$1,118

(f) Plan assets

(i) Major asset classes of plan assets

The proportion of major asset classes to the total plan assets is as follows:

Year ended March 31	2014
Stocks	59.4%
Bonds	22.9
Other	17.7
Total	100.0%

Note: The retirement benefit trusts set up for employee pension plans and lump-sum severance indemnity plans account for 34.1% of the total plan assets.

(ii) Method for setting the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is determined based on the current and expected allocation of plan assets and the current and expected long-term rates of return on various asset classes of plan assets.

(g) Actuarial assumptions

The principal assumptions used in determining benefit obligation and pension expenses were as follows:

(i) Discount rate

Year ended March 31	2014
Domestic consolidated subsidiaries	0.4% to 2.0%
Overseas consolidated subsidiaries	3.5% to 11.3%

(ii) Long-term expected rate of return on plan assets

Year ended March 31	2014
Domestic consolidated subsidiaries	0% to 4.0%
Overseas consolidated subsidiaries	4.3% to 10.5%

(3) Defined contribution plan

The amount required to be contributed by consolidated subsidiaries is ¥5,936 million (\$58 million) at March 31, 2014.

Fiscal years ended March 31, 2013

(1) Outline of employee retirement benefits

Domestic consolidated subsidiaries of SMFG have contributory and non-contributory funded or unfunded defined benefit pension plans such as employee pension plans, qualified pension plans and lump-sum severance indemnity plans. Certain domestic consolidated subsidiaries adopt defined contribution pension plan. Certain domestic consolidated subsidiaries have a general type of employee pension plans. They may grant additional benefits in cases where certain requirements are met when employees retire.

Some overseas consolidated subsidiaries adopt defined benefit pension plans and defined contribution pension plans.

SMBC and some domestic consolidated subsidiaries contributed some of their marketable equity securities to employee retirement benefits trusts.

(2) Projected benefit obligation

		Millions of yen
March 31		2013
Projected benefit obligation	(A).....	¥(1,117,085)
Plan assets	(B).....	1,036,130
Unfunded projected benefit obligation	(C)=(A)+(B).....	(80,955)
Unrecognized net actuarial gain or loss	(D)	262,349
Unrecognized prior service cost	(E)	(1,254)
Net amount recorded on the consolidated balance sheet	(F)=(C)+(D)+(E).....	180,139
Prepaid pension cost	(G)	224,719
Reserve for employee retirement benefits	(F)–(G)	¥ (44,579)

Note: Certain consolidated subsidiaries adopt the simplified method in calculating the projected benefit obligation.

(3) Pension expenses

		Millions of yen
Year ended March 31		2013
Service cost.....		¥25,350
Interest cost on projected benefit obligation		23,988
Expected return on plan assets		(27,788)
Amortization of unrecognized net actuarial gain or loss		29,296
Amortization of unrecognized prior service cost		(4,773)
Other (nonrecurring additional retirement allowance paid and other)		6,201
Pension expenses		¥52,274

Notes: 1. Pension expenses of consolidated subsidiaries which adopt the simplified method are included in "Service cost."

2. Premium paid to defined contribution pension is included in "Other."

(4) Assumptions

The principal assumptions used in determining benefit obligation and pension expenses at or for the fiscal year ended March 31, 2013 was as follows:

Year ended March 31		2013
Discount rate.....	Domestic consolidated subsidiaries	0.9% to 2.0%
	Overseas consolidated subsidiaries	4.1% to 6.0%
Expected rate of return on plan assets	Domestic consolidated subsidiaries	0% to 4.3%
	Overseas consolidated subsidiaries	3.8% to 4.5%

Estimated amounts of retirement benefits are allocated to each period by the straight-line method.

Unrecognized prior service cost is amortized using the straight-line method within the employees' average remaining service period from the fiscal year of its incurrence, over mainly 9 years for the fiscal year ended March 31, 2013.

Unrecognized net actuarial gain or loss is amortized using the straight-line method within the employees' average remaining service period, commencing from the next fiscal year of incurrence, over mainly 9 years for the fiscal year ended March 31, 2013.

31. Stock Options

- (1) Share-based compensation expenses which were accounted for as general and administrative expenses in the fiscal years ended March 31, 2014 and 2013 are as follows:

	Millions of yen		Millions of U.S. dollars
Year ended March 31	2014	2013	2014
Share-based compensation expenses	¥549	¥584	\$5

- (2) Amount of profit by non-exercise of stock options in the fiscal year

	Millions of yen		Millions of U.S. dollars
Year ended March 31	2014	2013	2014
Other income	¥13	¥10	\$0

- (3) Outline of stock options and changes is as follows:

(a) SMFG

(i) Outline of stock options

Date of resolution	July 28, 2010	July 29, 2011
Title and number of grantees ...	Directors of SMFG: 8 Corporate auditors of SMFG: 3 Executive officers of SMFG: 2 Directors, corporate auditors, executive officers of SMBC: 69	Directors of SMFG: 9 Corporate auditors of SMFG: 3 Executive officers of SMFG: 2 Directors, corporate auditors, executive officers of SMBC: 71
Number of stock options*	Common shares: 102,600	Common shares: 268,200
Grant date	August 13, 2010	August 16, 2011
Condition for vesting	Stock acquisition right holders may exercise stock acquisition rights from the day when they are relieved of their positions either as a director, corporate auditor or executive officer of SMFG and SMBC.	Stock acquisition right holders may exercise stock acquisition rights from the day when they are relieved of their positions either as a director, corporate auditor or executive officer of SMFG and SMBC.
Requisite service period	June 29, 2010 to the closing of the ordinary general meeting of shareholders of SMFG for the fiscal year ended March 31, 2011.	June 29, 2011 to the closing of the ordinary general meeting of shareholders of SMFG for the fiscal year ended March 31, 2012.
Exercise period	August 13, 2010 to August 12, 2040	August 16, 2011 to August 15, 2041

Date of resolution	July 30, 2012	July 29, 2013
Title and number of grantees ...	Directors of SMFG: 9 Corporate auditors of SMFG: 3 Executive officers of SMFG: 2 Directors, corporate auditors, executive officers of SMBC: 71	Directors of SMFG: 9 Corporate auditors of SMFG: 3 Executive officers of SMFG: 3 Directors, corporate auditors, executive officers of SMBC: 67
Number of stock options*	Common shares: 280,500	Common shares: 115,700
Grant date	August 15, 2012	August 14, 2013
Condition for vesting	Stock acquisition right holders may exercise stock acquisition rights from the day when they are relieved of their positions either as a director, corporate auditor or executive officer of SMFG and SMBC.	Stock acquisition right holders may exercise stock acquisition rights from the day when they are relieved of their positions either as a director, corporate auditor or executive officer of SMFG and SMBC.
Requisite service period	June 28, 2012 to the closing of the ordinary general meeting of shareholders of SMFG for the fiscal year ended March 31, 2013.	June 27, 2013 to the closing of the ordinary general meeting of shareholders of SMFG for the fiscal year ended March 31, 2014.
Exercise period	August 15, 2012 to August 14, 2042	August 14, 2013 to August 13, 2043

* Reported in terms of shares of stock.

(ii) Stock options granted and changes

Number of stock options*

Date of resolution	July 28, 2010	July 29, 2011	July 30, 2012	July 29, 2013
Before vested				
Previous fiscal year-end	50,800	244,700	277,200	—
Granted	—	—	—	115,700
Forfeited	—	—	2,300	200
Vested	11,200	59,500	16,500	100
Outstanding	39,600	185,200	258,400	115,400
After vested				
Previous fiscal year-end	48,200	18,000	2,200	—
Vested	11,200	59,500	16,500	100
Exercised	600	900	—	—
Forfeited	—	—	—	—
Exercisable	58,800	76,600	18,700	100

* Reported in terms of shares of stock.

Price information (Yen)

Date of resolution	July 28, 2010	July 29, 2011	July 30, 2012	July 29, 2013
Exercise price	¥ 1	¥ 1	¥ 1	¥ 1
Average exercise price	5,050	5,050	—	—
Fair value at the grant date	2,215	1,872	2,042	4,159

(iii) Valuation technique used for valuating fair value of stock options

Stock options granted in the fiscal year ended March 31, 2014 were valued using the Black-Scholes option pricing model and the principal parameters were as follows:

Date of resolution	July 29, 2013
Expected volatility * ¹	31.24%
Average expected life * ²	4 years
Expected dividends * ³	¥110 per share
Risk-free interest rate * ⁴	0.23%

*¹ Expected volatility is calculated based on the closing price of common shares of SMFG on each trading day in the 4 years between August 15, 2009 and August 14, 2013.

*² The average expected life could not be estimated rationally due to insufficient amount of data. Therefore, it was estimated based on average tenures of officers of SMFG and SMBC.

*³ Expected dividends are based on the expected dividends on common stock for the fiscal year ended March 31, 2014 of the date of grant.

*⁴ Japanese government bond yield corresponding to the average expected life.

(iv) Method of estimating the number of stock options vested

Only the actual number of forfeited stock options is reflected because it is difficult to rationally estimate the actual number of stock options that will be forfeited in the future.

(b) Kansai Urban Banking Corporation

(i) Outline of stock options

Date of resolution	June 27, 2003	June 29, 2004	June 29, 2005	June 29, 2006	June 29, 2006
Title and number of grantees	Directors and employees 65	Directors and employees 174	Directors and employees 183	Directors 9	Officers not doubling as directors 14 Employees 46
Number of stock options*	Common shares 306,000	Common shares 399,000	Common shares 464,000	Common shares 162,000	Common shares 115,000
Grant date	July 31, 2003	July 30, 2004	July 29, 2005	July 31, 2006	July 31, 2006
Condition for vesting	N.A.	N.A.	N.A.	N.A.	N.A.
Requisite service period	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise period	June 28, 2005 to June 27, 2013	June 30, 2006 to June 29, 2014	June 30, 2007 to June 29, 2015	June 30, 2008 to June 29, 2016	June 30, 2008 to June 29, 2016

Date of resolution	June 28, 2007	June 28, 2007	June 27, 2008	June 26, 2009
Title and number of grantees	Directors 10	Officers not doubling as directors 14 Employees 48	Directors 9 Officers not doubling as directors 16 Employees 45	Directors 11 Officers not doubling as directors 14 Employees 57
Number of stock options*	Common shares 174,000	Common shares 112,000	Common shares 289,000	Common shares 350,000
Grant date	July 31, 2007	July 31, 2007	July 31, 2008	July 31, 2009
Condition for vesting	N.A.	N.A.	N.A.	N.A.
Requisite service period	N.A.	N.A.	N.A.	N.A.
Exercise period	June 29, 2009 to June 28, 2017	June 29, 2009 to June 28, 2017	June 28, 2010 to June 27, 2018	June 27, 2011 to June 26, 2019

* Reported in terms of shares of stock.

(ii) Stock options granted and changes

Number of stock options*

Date of resolution	June 27, 2003	June 29, 2004	June 29, 2005	June 29, 2006	June 29, 2006
Before vested					
Previous fiscal year-end	—	—	—	—	—
Granted	—	—	—	—	—
Forfeited	—	—	—	—	—
Vested	—	—	—	—	—
Outstanding	—	—	—	—	—
After vested					
Previous fiscal year-end	166,000	245,000	334,000	13,000	86,000
Vested	—	—	—	—	—
Exercised	—	—	—	—	—
Forfeited	166,000	48,000	62,000	36,000	18,000
Exercisable	—	197,000	272,000	94,000	68,000

Date of resolution	June 28, 2007	June 28, 2007	June 27, 2008	June 26, 2009
Before vested				
Previous fiscal year-end	—	—	—	—
Granted	—	—	—	—
Forfeited	—	—	—	—
Vested	—	—	—	—
Outstanding	—	—	—	—
After vested				
Previous fiscal year-end	158,000	105,000	289,000	350,000
Vested	—	—	—	—
Exercised	—	—	—	—
Forfeited	36,000	25,000	5,000	—
Exercisable	122,000	80,000	284,000	350,000

* Reported in terms of shares of stock.

Price information (Yen)

Date of resolution	June 27, 2003	June 29, 2004	June 29, 2005	June 29, 2006	June 29, 2006
Exercise price	¥179	¥202	¥313	¥490	¥490
Average exercise price	—	—	—	—	—
Fair value at the grant date	—	—	—	138	138

Date of resolution	June 28, 2007	June 28, 2007	June 27, 2008	June 26, 2009
Exercise price	¥461	¥461	¥302	¥193
Average exercise price	—	—	—	—
Fair value at the grant date	96	96	37	51

(iii) Method of estimating the number of stock options vested

Only the actual number of forfeited stock options is reflected because it is difficult to rationally estimate the actual number of stock options that will be forfeited in the future.

(c) THE MINATO BANK, LTD. ("MINATO")

(i) Outline of stock options

Date of resolution	June 28, 2012	June 27, 2013
Title and number of grantees	Directors: 7, Officers: 12	Directors: 7, Officers: 12
Number of stock options*	Common shares: 368,000	Common shares: 334,000
Grant date	July 20, 2012	July 19, 2013
Condition for vesting	Stock acquisition right holders may exercise stock acquisition rights from the day when they are relieved of their positions either as a director or executive officer of MINATO.	Stock acquisition right holders may exercise stock acquisition rights from the day when they are relieved of their positions either as a director or executive officer of MINATO.
Requisite service period	June 28, 2012 to the closing of the ordinary general meeting of shareholders of MINATO for the fiscal year ended March 31, 2013.	June 27, 2013 to the closing of the ordinary general meeting of shareholders of MINATO for the fiscal year ended March 31, 2014.
Exercise period	July 21, 2012 to July 20, 2042	July 20, 2013 to July 19, 2043

* Reported in terms of shares of stock.

(ii) Stock options granted and changes

Number of stock options*

Date of resolution	June 28, 2012	June 27, 2013
Before vested		
Previous fiscal year-end	312,000	—
Granted	—	334,000
Forfeited	—	6,000
Vested	40,000	22,000
Outstanding	272,000	306,000
After vested		
Previous fiscal year-end	44,000	—
Vested	40,000	22,000
Exercised	11,000	—
Forfeited	—	—
Exercisable	73,000	22,000

* Reported in terms of shares of stock.

Price information (Yen)

Date of resolution	June 28, 2012	June 27, 2013
Exercise price	¥ 1	¥ 1
Average exercise price	181	—
Fair value at the grant date	132	166

(iii) Valuation technique used for valuating fair value of stock options

Stock options granted in the fiscal year were valuated using the following valuation technique.

- Valuation technique: Black-Scholes option-pricing model
- Principal parameters used in the option-pricing model

Date of resolution	June 27, 2013
Expected volatility * ¹	29.62%
Average expected life * ²	2 years
Expected dividends * ³	¥5 per share
Risk-free interest rate * ⁴	0.13%

*¹ Calculated based on the actual stock prices during 2 years from July 20, 2011 to July 19, 2013.*² The average expected life could not be estimated rationally due to insufficient amount of data.

Therefore, it was estimated based on average tenures of officers of MINATO.

*³ Expected dividends are based on the actual dividends on common stock for the fiscal year ended March 31, 2013.*⁴ Japanese government bond yield corresponding to the average expected life.

(iv) Method of estimating the number of stock options vested

Only the actual number of forfeited stock options is reflected because it is difficult to rationally estimate the actual number of stock options that will be forfeited in the future.

32. Deferred Tax Assets and Liabilities

(1) Significant components of deferred tax assets and liabilities at March 31, 2014 and 2013 were as follows:

March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Deferred tax assets:			
Reserve for possible loan losses and write-off of loans	¥ 454,436	¥ 610,676	\$ 4,417
Net operating loss carryforwards	380,685	364,406	3,700
Write-off of securities	148,032	211,445	1,439
Reserve for employee retirement benefits	—	65,743	—
Net defined benefit liability	63,120	—	614
Remeasurements of defined benefit plans	40,919	—	398
Net deferred losses on hedges	34,227	18,667	333
Net unrealized gains on other securities	12,317	20,182	120
Other	200,284	222,846	1,947
Subtotal	1,334,023	1,513,968	12,967
Valuation allowance	(681,593)	(735,017)	(6,625)
Total deferred tax assets	652,429	778,950	6,342
Deferred tax liabilities:			
Net unrealized losses on other securities	(408,763)	(313,945)	(3,973)
Gains on securities contributed to employee retirement benefits trust	(38,524)	(38,524)	(374)
Leveraged lease	(20,378)	(18,725)	(198)
Other	(114,972)	(101,616)	(1,118)
Total deferred tax liabilities	(582,640)	(472,812)	(5,663)
Net deferred tax assets	¥ 69,789	¥ 306,137	\$ 678

(2) SMFG and its domestic consolidated subsidiaries are subject to Japanese national and local income taxes, which, in the aggregate, would result in an effective statutory tax rate of approximately 38.01% for the years ended March 31, 2014 and 2013. A reconciliation of the effective income tax rate reflected in the accompanying consolidated statements of income to the statutory tax rate for the years ended March 31, 2014 and 2013 was as follows:

March 31	2014	2013
Statutory tax rate	38.01%	38.01%
Difference between SMFG and overseas consolidated subsidiaries	(2.66)	(3.61)
Valuation allowance	(1.90)	(20.06)
Dividends exempted for income tax purposes	(1.51)	(0.99)
Equity in losses of affiliates	(0.27)	(0.19)
Effects of changes in the corporate income tax rate	0.78	1.19
Other	(0.20)	(0.63)
Effective income tax rate	32.25%	13.72%

(3) Adjustments to deferred tax assets and liabilities arising from a change in the income tax rate

In accordance with the Act for Partial Revision of the Income Tax Act, etc. (Act No. 10 of 2014) promulgated on March 31, 2014, the special corporate tax for reconstruction will be abolished from fiscal years beginning on or after April 1, 2014. Accordingly, the statutory tax rate, which is used to calculate deferred tax assets and liabilities of the domestic subsidiaries for temporary differences which are expected to be reversed in the fiscal year beginning on April 1, 2014, was changed. As a result the statutory tax rate used by SMFG was changed from 38.01% to 35.64%. This change in the tax rate resulted in ¥11,538 million (\$112 million) of a decrease in deferred tax assets, ¥149 million (\$1 million) of an increase in net unrealized gains on other securities, ¥22 million (\$0 million) of an increase in net deferred losses on hedges and ¥11,666 million (\$113 million) of an increase in income taxes-deferred. Deferred tax liabilities for land revaluation excess decreased by ¥18 million (\$0 million), whereas land revaluation excess increased by the same amount.

33. Segment Information

(1) Outline of reportable segments

SMFG Group's reportable segment is defined as an operating segment for which discrete financial information is available and reviewed by the Board of Directors regularly in order to make decisions about resources to be allocated to the segment and assess its performance.

Besides commercial banking, SMFG Group companies conduct businesses such as leasing, securities, consumer finance, and system development and information processing. The primary businesses, "Commercial banking," "Leasing," "Securities," and "Consumer finance," are separate reportable segments, and other businesses are aggregated as "Other business."

In "Commercial banking," SMBC assesses business performance by classifying businesses into 5 business units based on client segment: Consumer banking unit, Middle market banking unit, Corporate banking unit, International banking unit and Treasury unit.

(2) Method of calculating profit and loss amount by reportable segment

Accounting method applied to the reported business segment is the same as described in "Significant Accounting Policies." However, profit or loss of the equity method affiliates is recorded in "Other profit or loss" in the amount of ordinary profit multiplied by the ownership ratio.

SMFG does not assess assets by business segment.

(3) Information on profit and loss amount by reportable segment

Year ended March 31, 2014	Millions of yen								
	Commercial banking								
	SMBC								Total
	Consumer banking unit	Middle market banking unit	Corporate banking unit	International banking unit	Treasury unit	Head office account	Subtotal	Others	
Gross profit	¥338,957	¥399,345	¥225,627	¥295,984	¥325,522	¥ (27,250)	¥1,558,184	¥248,205	¥1,806,389
Interest income	281,725	221,046	141,934	174,587	225,207	20,407	1,064,906	171,145	1,236,052
Non-interest income	57,232	178,299	83,693	121,397	100,315	(47,658)	493,277	77,060	570,337
Expenses	(284,660)	(219,057)	(40,295)	(89,344)	(22,969)	(89,420)	(745,745)	(155,576)	(901,321)
Depreciation	(26,398)	(22,626)	(5,658)	(9,689)	(4,815)	(12,480)	(81,666)	(10,635)	(92,302)
Other profit or loss	—	—	—	—	—	—	—	13,913	13,913
Consolidated net business profit	¥ 54,297	¥180,288	¥185,332	¥206,640	¥302,553	¥(116,671)	¥ 812,438	¥106,542	¥ 918,981

Year ended March 31, 2014	Millions of yen						
	Leasing			Securities			
	Sumitomo Mitsui Finance and Leasing Company, Limited	Others	Total	SMBC Nikko Securities Inc.	SMBC Friend Securities Co., Ltd.	Others	Total
	Limited	Others	Total	Inc.	Co., Ltd.	Others	Total
Gross profit	¥127,861	¥ 9,443	¥137,304	¥319,682	¥58,153	¥19,922	¥397,758
Interest income	29,088	6,186	35,274	1,431	1,329	(118)	2,642
Non-interest income	98,773	3,256	102,029	318,250	56,823	20,040	395,115
Expenses	(54,787)	83	(54,704)	(221,800)	(42,426)	(14,378)	(278,605)
Depreciation	(4,070)	(415)	(4,485)	(2,337)	(1,927)	(1,251)	(5,516)
Other profit or loss	4,218	4,047	8,266	(693)	(379)	412	(660)
Consolidated net business profit	¥ 77,292	¥13,574	¥ 90,866	¥ 97,188	¥15,347	¥ 5,956	¥118,492

Year ended March 31, 2014	Millions of yen						
	Consumer finance						Grand total
	Sumitomo Mitsui Card Company, Limited	Cedyna Financial Corporation	SMBC Consumer Finance Co., Ltd.	Others	Total	Other business	
	Limited	Corporation	Co., Ltd.	Others	Total	Other business	
Gross profit	¥189,932	¥154,633	¥181,806	¥23,596	¥549,968	¥18,099	¥2,909,520
Interest income	13,917	27,208	124,366	1,016	166,509	53,324	1,493,803
Non-interest income	176,014	127,424	57,439	22,580	383,459	(35,225)	1,415,716
Expenses	(139,625)	(116,466)	(75,453)	(14,658)	(346,204)	71,580	(1,509,254)
Depreciation	(10,336)	(8,618)	(3,732)	(1,591)	(24,278)	(11,477)	(138,060)
Other profit or loss	(6,582)	(26,879)	(79,814)	5,604	(107,671)	(71,749)	(157,901)
Consolidated net business profit	¥ 43,724	¥ 11,287	¥ 26,538	¥14,542	¥ 96,092	¥17,930	¥1,242,363

Millions of yen									
Commercial banking									
SMBC									
Year ended March 31, 2013	Consumer banking unit	Middle market banking unit	Corporate banking unit	International banking unit	Treasury unit	Head office account	Subtotal	Others	Total
Gross profit	¥374,927	¥412,200	¥208,013	¥240,516	¥295,304	¥ 9,135	¥1,540,095	¥258,466	¥1,798,561
Interest income.....	307,746	236,170	128,212	141,958	125,485	31,631	971,202	155,956	1,127,159
Non-interest income...	67,181	176,030	79,801	98,558	169,819	(22,496)	568,892	102,509	671,402
Expenses.....	(284,389)	(216,726)	(39,616)	(72,920)	(20,997)	(93,088)	(727,736)	(149,207)	(876,944)
Depreciation	(26,893)	(22,625)	(5,603)	(8,928)	(3,972)	(11,219)	(79,240)	(10,462)	(89,702)
Other profit or loss	—	—	—	—	—	—	—	(30,334)	(30,334)
Consolidated net business profit	¥ 90,538	¥195,474	¥168,397	¥167,596	¥274,307	¥(83,953)	¥ 812,358	¥ 78,923	¥ 891,282

Millions of yen							
Year ended March 31, 2013	Leasing			Securities			
	Sumitomo Mitsui Finance and Leasing Company, Limited	Others	Total	SMBC Nikko Securities Inc.	SMBC Friend Securities Co., Ltd.	Others	Total
Gross profit	¥114,814	¥ 5,544	¥120,358	¥268,913	¥59,409	¥13,130	¥341,452
Interest income.....	40,825	5,372	46,198	(720)	432	232	(55)
Non-interest income...	73,988	171	74,160	269,634	58,976	12,897	341,508
Expenses.....	(51,722)	908	(50,813)	(194,920)	(41,415)	(10,933)	(247,269)
Depreciation	(4,003)	(561)	(4,565)	(2,826)	(1,861)	(1,249)	(5,937)
Other profit or loss	(4,086)	3,857	(228)	(557)	(3)	(1,470)	(2,030)
Consolidated net business profit	¥ 59,006	¥10,310	¥ 69,316	¥ 73,435	¥17,990	¥ 726	¥ 92,152

Millions of yen							
Year ended March 31, 2013	Consumer finance						Grand total
	Sumitomo Mitsui Card Company, Limited	Cedyna Financial Corporation	SMBC Consumer Finance Co., Ltd.	Others	Total	Other business	
Gross profit	¥183,050	¥153,542	¥165,777	¥24,132	¥526,503	¥15,525	¥2,802,402
Interest income.....	15,477	29,422	117,628	1,486	164,014	61,584	1,398,901
Non-interest income...	167,573	124,120	48,148	22,645	362,488	(46,058)	1,403,501
Expenses.....	(132,594)	(118,184)	(66,198)	(14,252)	(331,229)	61,799	(1,444,457)
Depreciation	(9,796)	(9,221)	(2,720)	(1,733)	(23,471)	(10,964)	(134,641)
Other profit or loss	(5,657)	(21,704)	(47,715)	1,996	(73,081)	(86,095)	(191,770)
Consolidated net business profit	¥ 44,799	¥ 13,653	¥ 51,863	¥11,876	¥122,192	¥ (8,770)	¥1,166,174

Millions of U.S. dollars									
Commercial banking									
SMBC									
Year ended March 31, 2014	Consumer banking unit	Middle market banking unit	Corporate banking unit	International banking unit	Treasury unit	Head office account	Subtotal	Others	Total
Gross profit	\$3,295	\$3,882	\$2,193	\$2,877	\$3,164	\$ (265)	\$15,146	\$2,413	\$17,558
Interest income	2,738	2,149	1,380	1,697	2,189	198	10,351	1,664	12,015
Non-interest income	556	1,733	814	1,180	975	(463)	4,795	749	5,544
Expenses	(2,767)	(2,129)	(392)	(868)	(223)	(869)	(7,249)	(1,512)	(8,761)
Depreciation	(257)	(220)	(55)	(94)	(47)	(121)	(794)	(103)	(897)
Other profit or loss	—	—	—	—	—	—	—	135	135
Consolidated net business profit	\$ 528	\$1,752	\$1,801	\$2,009	\$2,941	\$ (1,134)	\$ 7,897	\$1,036	\$ 8,933

Millions of U.S. dollars							
Year ended March 31, 2014	Leasing			Securities			
	Sumitomo Mitsui Finance and Leasing Company, Limited	Others	Total	SMBC Nikko Securities Inc.	SMBC Friend Securities Co., Ltd.	Others	Total
Gross profit	\$1,243	\$ 92	\$1,335	\$3,107	\$565	\$194	\$3,866
Interest income	283	60	343	14	13	(1)	26
Non-interest income	960	32	992	3,093	552	195	3,841
Expenses	(533)	1	(532)	(2,156)	(412)	(140)	(2,708)
Depreciation	(40)	(4)	(44)	(23)	(19)	(12)	(54)
Other profit or loss	41	39	80	(7)	(4)	4	(6)
Consolidated net business profit	\$ 751	\$132	\$ 883	\$ 945	\$149	\$ 58	\$1,152

Millions of U.S. dollars							
Year ended March 31, 2014	Consumer finance						Grand total
	Sumitomo Mitsui Card Company, Limited	Cedyna Financial Corporation	SMBC Consumer Finance Co., Ltd.	Others	Total	Other business	
Gross profit	\$1,846	\$1,503	\$1,767	\$229	\$5,346	\$176	\$28,281
Interest income	135	264	1,209	10	1,618	518	14,520
Non-interest income	1,711	1,239	558	219	3,727	(342)	13,761
Expenses	(1,357)	(1,132)	(733)	(142)	(3,365)	696	(14,670)
Depreciation	(100)	(84)	(36)	(15)	(236)	(112)	(1,342)
Other profit or loss	(64)	(261)	(776)	54	(1,047)	(697)	(1,535)
Consolidated net business profit	\$ 425	\$ 110	\$ 258	\$141	\$ 934	\$174	\$12,076

Notes: 1. Consolidated net business profit = SMBC's nonconsolidated banking profit + SMFG's nonconsolidated ordinary profit + Other subsidiaries' ordinary profit (excluding nonrecurring factors) + Equity method affiliates' ordinary profit × Ownership ratio – Inter-segment transactions (dividends, etc.)

2. Other profit or loss = Nonoperating profit or loss of consolidated subsidiaries except SMBC + Equity method affiliates' ordinary profit × Ownership ratio, etc.

3. Consolidated net business profit represents Consolidated operating profit of each company for Sumitomo Mitsui Finance and Leasing Company, Limited and SMBC Consumer Finance Co., Ltd., and Consolidated net business profit represents Operating profit of each company for SMBC Nikko Securities Inc., SMBC Friend Securities Co., Ltd., Sumitomo Mitsui Card Company, Limited, and Cedyna Financial Corporation.

4. "Other business" includes profit or loss to be eliminated as inter-segment transactions.

- (4) Difference between total amount of consolidated net business profit by reportable segment and ordinary profit on consolidated statements of income (adjustment of difference)

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Consolidated net business profit	¥1,242,363	¥1,166,174	\$12,076
Total credit cost of SMBC	123,920	(19,523)	1,205
Gains (losses) on stocks of SMBC	106,410	(35,662)	1,034
Amortization of unrecognized retirement benefit obligation of SMBC	(33,163)	(23,303)	(322)
Ordinary profit of consolidated subsidiaries other than reportable segment ...	82,614	89,523	803
Amortization of goodwill other than reportable segment	(21,848)	(17,964)	(212)
Adjustment of profit or loss of equity method affiliates	(6,527)	(3,952)	(63)
Others	(61,438)	(81,545)	(597)
Ordinary profit on consolidated statements of income	¥1,432,332	¥1,073,745	\$13,922

Notes: 1. Total credit cost = Write-off of loans + Losses on sales of delinquent loans – Gains on reversal of reserve for possible loan losses – Recoveries of written-off claims

2. Gains (losses) on stocks = Gains on sale of stocks – Losses on sale of stocks – Losses on devaluation of stocks

3. Adjustment of profit or loss of equity method affiliates = Equity method affiliates' net income × Ownership ratio – Equity method affiliates' ordinary profit × Ownership ratio

- (5) Related information

- (a) Information on each service (Ordinary income to external customers)

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Commercial banking	¥2,541,625	¥2,349,835	\$24,705
Leasing	586,777	506,267	5,704
Securities	402,925	396,531	3,916
Consumer finance	992,827	1,021,137	9,650
Other business	117,724	52,654	1,144
Total	¥4,641,880	¥4,326,424	\$45,119

Notes: 1. Ordinary income is presented as a counterpart of sales of companies in other industries.

2. Ordinary income represents total income excluding gains on disposal of fixed assets, gains on recoveries of written-off claims and other extraordinary gains.

- (b) Geographic information

- (i) Ordinary income

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Japan	¥3,762,300	¥3,555,350	\$36,570
The Americas	237,908	198,817	2,312
Europe and Middle East	354,980	284,686	3,450
Asia and Oceania	286,690	287,570	2,787
Total	¥4,641,880	¥4,326,424	\$45,119

Notes: 1. Ordinary income is presented as a counterpart of sales of companies in other industries.

2. Ordinary income from transactions by SMFG and its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries is categorized as Japan. Ordinary income from transactions by overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries is categorized as The Americas, Europe and Middle East, or Asia and Oceania, based on their locations and in consideration of their geographic proximity and other factors.

3. The Americas includes the United States, Brazil, Canada and others; Europe and Middle East includes the United Kingdom, Germany, France and others; Asia and Oceania includes China, Singapore, Australia and others except Japan.

4. Ordinary income represents total income excluding gains on disposal of fixed assets, gains on recoveries of written-off claims and other extraordinary gains.

- (ii) Tangible fixed assets

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Japan	¥1,296,644	¥1,186,126	\$12,603
The Americas	132,232	17,913	1,285
Europe and Middle East	902,456	763,870	8,772
Asia and Oceania	15,455	15,861	150
Total	¥2,346,788	¥1,983,772	\$22,811

- (c) Information by major customer

There are no major customers individually accounting for 10% or more of ordinary income.

(6) Information on impairment loss for fixed assets by reportable segment

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Commercial banking	¥2,551	¥3,591	\$25
Leasing	—	—	—
Securities	65	537	1
Consumer finance	481	107	5
Other business	250	78	2
Total	¥3,348	¥4,314	\$33

(7) Information on amortization of goodwill and unamortized balance by reportable segment

Year ended March 31	Millions of yen				Millions of U.S. dollars	
	2014		2013		2014	
	Amortization of goodwill	Unamortized balance	Amortization of goodwill	Unamortized balance	Amortization of goodwill	Unamortized balance
Commercial banking	¥ 1,380	¥ 24,109	¥ 554	¥ 9,351	\$ 13	\$ 234
Leasing	9,664	80,523	6,388	86,036	94	783
Securities	14,021	202,216	14,112	216,238	136	1,966
Consumer finance	3,942	70,200	4,274	73,999	38	682
Other business	23	94	—	—	0	1
Total	¥29,033	¥377,145	¥25,329	¥385,625	\$282	\$3,666

(8) Information on gains on negative goodwill by reportable segment

There is no significant information to be disclosed for the fiscal year ended March 31, 2014 and 2013.

(9) Information on total credit cost by reportable segment

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2014	2013	2014
Commercial banking	¥(116,546)	¥ 63,693	\$(1,133)
Leasing	(889)	5,289	(9)
Securities	11	315	0
Consumer finance	66,796	69,342	649
Other business	1,554	34,473	15
Total	¥ (49,073)	¥173,115	\$ (477)

Notes: 1. Total credit cost = Provision for reserve for possible loan losses + Write-off of loans + Losses on sales of delinquent loans – Gains on reversal of reserve for possible loan losses – Recoveries of written-off claims

2. "Other business" includes profit or loss to be eliminated as inter-segment transactions.

34. Business Combinations

There is no significant business combination to be disclosed.

35. Per Share Data

	Yen		U.S. dollars
As of and year ended March 31	2014	2013	2014
Net assets per share	¥5,323.87	¥4,686.69	\$51.75
Net income per share.....	611.45	586.49	5.94
Net income per share (diluted)	611.14	585.94	5.94

Notes: 1. Net income per share and net income per share (diluted) are calculated based on the following.

	Millions of yen, except number of shares		Millions of U.S. dollars
Year ended March 31	2014	2013	2014
Net income per share:			
Net income.....	¥835,357	¥794,059	\$8,120
Amount not attributable to common stockholders.....	—	—	—
Net income attributable to common stock.....	¥835,357	¥794,059	\$8,120
Average number of common stock during the fiscal year (in thousands)	1,366,186	1,353,925	/
Net income per share (diluted):			
Adjustment for net income.....	¥ (0)	¥ (437)	\$ (0)
Adjustment for dilutive shares issued by subsidiaries	(0)	(437)	(0)
Increase in number of common stock (in thousands)	698	519	/
Stock acquisition rights (in thousands).....	698	519	/

Outline of dilutive shares which were not included in the calculation of "Net income per share (diluted)" for the fiscal year ended March 31, 2013 because they do not have dilutive effect:

Stock acquisition rights: 1 type

(Number of stock acquisition rights issued by resolution at the general shareholders' meeting on June 27, 2002: 1,081 units)

2. Net assets per share is calculated based on the following:

	Millions of yen, except number of shares		Millions of U.S. dollars
March 31	2014	2013	2014
Net assets	¥9,005,019	¥8,443,218	\$87,529
Amounts excluded from Net assets	1,725,832	2,098,020	16,775
Stock acquisition rights	1,791	1,260	17
Minority interests	1,724,041	2,096,760	16,758
Net assets attributable to common stock at the fiscal year-end.....	¥7,279,186	¥6,345,197	\$70,754
Number of common stock at the fiscal year-end used for the calculation of			
Net assets per share (in thousands).....	1,367,273	1,353,876	/

(Changes in accounting policies)

SMFG has adopted the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, issued on May 17, 2012, the "Accounting Standard") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, the "Guidance") applicable from the fiscal year ended March 31, 2014 (excluding the provisions set out in the main text of Paragraph 35 and Paragraph 67 of the Accounting Standard and the Guidance, respectively). Accordingly, the difference between the projected benefit obligation and plan assets is reported as either Net defined benefit asset or Net defined benefit liability from the fiscal year ended March 31, 2014.

In accordance with the transitional treatment stipulated in Paragraph 37 of the Accounting Standard, unrecognized net actuarial gain or loss and unrecognized prior service cost, after adjusting tax effect, are reported as Remeasurements of defined benefit plans in Accumulated other comprehensive income from the fiscal year ended March 31, 2014.

As a result, net assets per share as of March 31, 2014 decreased by ¥ 53.81 (\$0.52).

36. Significant Subsequent Events

There are no significant subsequent events to be disclosed.

37. Nonconsolidated Financial Statements

(1) Nonconsolidated Balance Sheets

March 31	Millions of yen		Millions of U.S. dollars (Note 1)
	2014	2013	2014
Assets			
Current assets	¥ 124,042	¥ 111,290	\$ 1,206
Cash and due from banks	79,901	76,692	777
Prepaid expenses	31	29	0
Accrued income	51	15	0
Accrued income tax refunds	42,244	33,100	411
Other current assets	1,814	1,452	18
Fixed assets	6,155,756	6,155,573	59,834
Tangible fixed assets	1	2	0
Buildings	0	0	0
Equipment	1	2	0
Intangible fixed assets	267	83	3
Software	267	83	3
Investments and other assets	6,155,487	6,155,487	59,832
Investments in subsidiaries and affiliates	6,155,487	6,155,487	59,832
Total assets	¥6,279,799	¥6,266,864	\$61,040
Liabilities and net assets			
Liabilities			
Current liabilities	¥1,233,133	¥1,232,959	\$11,986
Short-term borrowings	1,228,030	1,228,030	11,937
Accounts payable	916	939	9
Accrued expenses	3,275	3,102	32
Income taxes payable	17	15	0
Business office taxes payable	7	7	0
Reserve for employees bonuses	157	133	2
Reserve for executive bonuses	98	97	1
Other current liabilities	630	634	6
Fixed liabilities	392,900	392,900	3,819
Bonds	392,900	392,900	3,819
Total liabilities	1,626,033	1,625,859	15,805
Net assets			
Stockholders' equity			
Capital stock	2,337,895	2,337,895	22,724
Capital surplus	1,583,721	1,583,717	15,394
Capital reserve	1,559,374	1,559,374	15,157
Other capital surplus	24,347	24,343	237
Retained earnings	743,081	730,333	7,223
Other retained earnings			
Voluntary reserve	30,420	30,420	296
Retained earnings brought forward	712,661	699,913	6,927
Treasury stock	(12,566)	(12,082)	(122)
Total stockholders' equity	4,652,131	4,639,865	45,219
Stock acquisition rights	1,634	1,140	16
Total net assets	4,653,766	4,641,005	45,235
Total liabilities and net assets	¥6,279,799	¥6,266,864	\$61,040

(2) Nonconsolidated Statements of Income

Year ended March 31	Millions of yen		Millions of U.S. dollars (Note 1)
	2014	2013	2014
Operating income	¥220,309	¥179,560	\$2,141
Dividends on investments in subsidiaries and affiliates	206,833	165,441	2,010
Fees and commissions received from subsidiaries.....	13,476	14,119	131
Operating expenses	25,256	24,341	245
General and administrative expenses	8,788	7,873	85
Interest on bonds.....	16,468	16,468	160
Operating profit	195,052	155,219	1,896
Nonoperating income	141	144	1
Interest income on deposits	57	83	1
Fees and commissions income	5	3	0
Other nonoperating income.....	78	57	1
Nonoperating expenses	6,172	7,378	60
Interest on borrowings.....	6,170	7,362	60
Fees and commissions payments.....	2	15	0
Other nonoperating expenses	—	0	—
Ordinary profit	189,021	147,985	1,837
Income before income taxes	189,021	147,985	1,837
Income taxes:			
Income taxes-current	3	3	0
Net income	¥189,018	¥147,981	\$1,837

	Yen		U.S. dollars (Note 1)
	2014	2013	2014
Per share data:			
Net income	¥134.04	¥104.93	\$1.30
Net income — diluted.....	133.98	104.89	1.30

(3) Nonconsolidated Statements of Changes in Net Assets

Year ended March 31, 2014	Millions of yen						
	Stockholders' equity						
	Capital surplus				Retained earnings		
	Capital stock	Capital reserve	Other capital surplus	Total capital surplus	Voluntary reserve	Other retained earnings brought forward	Total retained earnings
Balance at the beginning of the fiscal year	¥2,337,895	¥1,559,374	¥24,343	¥1,583,717	¥30,420	¥699,913	¥730,333
Changes in the fiscal year:							
Cash dividends.....						(176,270)	(176,270)
Net income						189,018	189,018
Purchase of treasury stock.....							
Disposal of treasury stock.....			3	3			
Net changes in items other than stockholders' equity in the fiscal year	—	—	3	3	—	12,747	12,747
Net changes in the fiscal year	—	—	3	3	—	12,747	12,747
Balance at the end of the fiscal year	¥2,337,895	¥1,559,374	¥24,347	¥1,583,721	¥30,420	¥712,661	¥743,081

Year ended March 31, 2014	Millions of yen			
	Stockholders' equity			
	Treasury stock	Total	Stock acquisition rights	Total net assets
Balance at the beginning of the fiscal year	¥(12,082)	¥4,639,865	¥1,140	¥4,641,005
Changes in the fiscal year:				
Cash dividends.....		(176,270)		(176,270)
Net income		189,018		189,018
Purchase of treasury stock.....	(500)	(500)		(500)
Disposal of treasury stock.....	16	19		19
Net changes in items other than stockholders' equity in the fiscal year			494	494
Net changes in the fiscal year	(484)	12,266	494	12,760
Balance at the end of the fiscal year	¥(12,566)	¥4,652,131	¥1,634	¥4,653,766

	Millions of yen						
	Stockholders' equity						
	Capital surplus				Retained earnings		
	Capital stock	Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
Year ended March 31, 2013					Voluntary reserve	Retained earnings brought forward	
Balance at the beginning of the fiscal year	¥2,337,895	¥1,559,374	¥63,592	¥1,622,966	¥30,420	¥690,676	¥721,096
Changes in the fiscal year:							
Cash dividends.....						(138,743)	(138,743)
Net income						147,981	147,981
Purchase of treasury stock.....							
Disposal of treasury stock.....			(39,249)	(39,249)			
Net changes in items other than stockholders' equity in the fiscal year							
Net changes in the fiscal year	—	—	(39,249)	(39,249)	—	9,237	9,237
Balance at the end of the fiscal year	¥2,337,895	¥1,559,374	¥24,343	¥1,583,717	¥30,420	¥699,913	¥730,333

	Millions of yen			
	Stockholders' equity		Stock acquisition rights	Total net assets
	Treasury stock	Total		
Year ended March 31, 2013				
Balance at the beginning of the fiscal year	¥(154,926)	¥4,527,031	¥ 598	¥4,527,629
Changes in the fiscal year:				
Cash dividends.....		(138,743)		(138,743)
Net income		147,981		147,981
Purchase of treasury stock.....	(263)	(263)		(263)
Disposal of treasury stock.....	143,107	103,858		103,858
Net changes in items other than stockholders' equity in the fiscal year			542	542
Net changes in the fiscal year	142,844	112,833	542	113,375
Balance at the end of the fiscal year	¥ (12,082)	¥4,639,865	¥1,140	¥4,641,005

Millions of U.S. dollars (Note 1)							
Stockholders' equity							
Year ended March 31, 2014	Capital surplus				Retained earnings		
	Capital stock	Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
					Voluntary reserve	Retained earnings brought forward	
Balance at the beginning of the fiscal year	\$22,724	\$15,157	\$237	\$15,394	\$296	\$6,803	\$7,099
Changes in the fiscal year:							
Cash dividends.....						(1,713)	(1,713)
Net income						1,837	1,837
Purchase of treasury stock.....							
Disposal of treasury stock.....			0	0			
Net changes in items other than stockholders' equity in the fiscal year							
Net changes in the fiscal year	—	—	0	0	—	124	124
Balance at the end of the fiscal year	\$22,724	\$15,157	\$237	\$15,394	\$296	\$6,927	\$7,223

Millions of U.S. dollars (Note 1)				
Stockholders' equity				
Year ended March 31, 2014	Treasury stock	Total	Stock acquisition rights	Total net assets
Balance at the beginning of the fiscal year	\$(117)	\$45,100	\$11	\$45,111
Changes in the fiscal year:				
Cash dividends.....		(1,713)		(1,713)
Net income		1,837		1,837
Purchase of treasury stock.....	(5)	(5)		(5)
Disposal of treasury stock.....	0	0		0
Net changes in items other than stockholders' equity in the fiscal year			5	5
Net changes in the fiscal year	(5)	119	5	124
Balance at the end of the fiscal year	\$(122)	\$45,219	\$16	\$45,235