

# Income Analysis (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

## Operating Income, Classified by Domestic and Overseas Operations

Year ended March 31	Millions of yen							
	2004				2003			
	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total
Interest income .....	¥1,394,426	¥238,922	¥(42,010)	¥1,591,338	¥1,435,456	¥421,432	¥(39,980)	¥1,816,908
Interest expenses .....	241,565	100,641	(31,961)	310,246	241,919	209,909	(34,473)	417,355
Net interest income .....	1,152,860	138,280	(10,049)	1,281,091	1,193,537	211,522	(5,506)	1,399,553
Trust fees .....	¥ 334	¥ —	¥ —	¥ 334	¥ 7	¥ —	¥ —	¥ 7
Fees and commissions (income) .....	¥ 471,941	¥ 30,604	¥ (1,517)	¥ 501,028	¥ 395,641	¥ 28,765	¥ (168)	¥ 424,238
Fees and commissions (expenses) .....	73,172	4,309	(629)	76,851	67,751	3,715	(127)	71,338
Net fees and commissions .....	398,769	26,294	(887)	424,176	327,890	25,050	(40)	352,900
Trading profits .....	¥ 289,432	¥ 23,302	¥ (7,723)	¥ 305,011	¥ 193,188	¥ 23,417	¥(10,109)	¥ 206,496
Trading losses .....	8,628	11	(7,723)	916	7,401	3,433	(10,109)	725
Net trading income .....	280,804	23,290	—	304,094	185,787	19,983	—	205,770
Other operating income .....	¥ 927,894	¥ 19,006	¥ (425)	¥ 946,474	¥ 909,124	¥ 38,544	¥ (711)	¥ 946,957
Other operating expenses .....	877,113	10,729	(1,193)	886,649	701,048	20,197	(111)	721,134
Net other operating income .....	50,780	8,277	767	59,825	208,075	18,347	(599)	225,823

- Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.
2. Income and expenses resulting from money held in trust are included in "Other operating income" and "Other operating expenses." Therefore, "Interest expenses" are shown after deduction of expenses (2004, ¥21 million; 2003, ¥48 million) related to the management of money held in trust.
3. Intersegment transactions are reported in "Elimination and unallocated corporate assets" column.

## Average Balance, Interest and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities

### Domestic Operations

Year ended March 31	Millions of yen					
	2004			2003		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets .....	¥80,192,186	¥1,394,426	1.74%	¥83,764,138	¥1,435,456	1.71%
Loans and bills discounted .....	54,448,334	1,049,707	1.93	57,677,536	1,091,688	1.89
Securities .....	23,160,633	230,992	1.00	21,669,346	215,477	0.99
Call loans and bills bought .....	547,686	1,840	0.34	627,785	1,936	0.31
Receivables under resale agreements .....	33,898	3	0.01	120,981	3	0.00
Receivables under securities borrowing transactions .....	515,980	104	0.02	1,254,675	225	0.02
Deposits with banks .....	676,807	7,071	1.04	823,313	12,831	1.56
Interest-bearing liabilities .....	¥84,942,920	¥ 241,565	0.28%	¥86,417,083	¥ 241,919	0.28%
Deposits .....	59,883,938	50,917	0.09	58,312,535	63,334	0.11
Negotiable certificates of deposit .....	4,229,710	837	0.02	5,732,409	2,072	0.04
Call money and bills sold .....	7,186,407	1,242	0.02	10,166,594	1,109	0.01
Payables under repurchase agreements .....	1,711,425	105	0.01	1,036,569	74	0.01
Payables under securities lending transactions .....	5,090,264	48,622	0.96	3,853,983	28,830	0.75
Commercial paper .....	193,420	236	0.12	268,052	380	0.14
Borrowed money .....	3,242,418	71,950	2.22	3,559,474	80,487	2.26
Bonds .....	2,921,709	44,624	1.53	2,537,030	38,045	1.50

- Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries.
2. In principle, average balances are computed by using daily balances. However, some domestic consolidated subsidiaries use weekly, monthly or semiannual balances instead.
3. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2004, ¥1,322,675 million; 2003, ¥814,452 million).
4. Income and expenses resulting from money held in trust are included in "Other operating income" and "Other operating expenses." Therefore, "Interest-earning assets" are shown after deduction of the average balance of money held in trust (2004, ¥21,933 million; 2003, ¥43,701 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2004, ¥21,933 million; 2003, ¥43,701 million) and corresponding interest (2004, ¥21 million; 2003, ¥46 million).

## Overseas Operations

Year ended March 31	Millions of yen					
	2004			2003		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	<b>¥7,391,661</b>	<b>¥238,922</b>	<b>3.23%</b>	¥9,690,916	¥421,432	4.35%
Loans and bills discounted.....	<b>5,064,994</b>	<b>148,501</b>	<b>2.93</b>	6,252,263	204,679	3.27
Securities .....	<b>1,036,961</b>	<b>35,639</b>	<b>3.44</b>	1,745,522	58,303	3.34
Call loans and bills bought .....	<b>101,843</b>	<b>2,200</b>	<b>2.16</b>	120,354	2,242	1.86
Receivables under resale agreements .....	<b>127,275</b>	<b>2,538</b>	<b>1.99</b>	100,914	1,348	1.34
Receivables under securities borrowing transactions .....	—	—	—	—	—	—
Deposits with banks .....	<b>703,330</b>	<b>7,008</b>	<b>1.00</b>	970,063	22,153	2.28
Interest-bearing liabilities .....	<b>¥5,109,984</b>	<b>¥100,641</b>	<b>1.97%</b>	¥6,812,607	¥209,909	3.08%
Deposits .....	<b>3,404,225</b>	<b>55,119</b>	<b>1.62</b>	3,994,367	89,254	2.23
Negotiable certificates of deposit .....	<b>96,735</b>	<b>2,697</b>	<b>2.79</b>	200,607	5,503	2.74
Call money and bills sold .....	<b>123,925</b>	<b>1,355</b>	<b>1.09</b>	168,107	2,614	1.56
Payables under repurchase agreements ...	<b>354,094</b>	<b>4,107</b>	<b>1.16</b>	1,059,369	18,111	1.71
Payables under securities lending transactions .....	—	—	—	—	—	—
Commercial paper.....	—	—	—	—	—	—
Borrowed money.....	<b>113,752</b>	<b>2,179</b>	<b>1.92</b>	212,650	6,168	2.90
Bonds.....	<b>1,004,354</b>	<b>31,577</b>	<b>3.14</b>	1,159,507	38,169	3.29

- Notes: 1. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.
2. In principle, average balances are computed by using daily balances. However, some overseas consolidated subsidiaries use weekly, monthly or semiannual balances instead.
3. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2004, ¥29,738 million; 2003, ¥22,906 million).
4. Income and expenses resulting from money held in trust are included in "Other operating income" and "Other operating expenses." Therefore, "Interest-earning assets" are shown after deduction of the average balance of money held in trust (2004, ¥— million; 2003, ¥67 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2004, ¥— million; 2003, ¥67 million) and corresponding interest (2004, ¥— million; 2003, ¥1 million).

## Total of Domestic and Overseas Operations

Year ended March 31	Millions of yen					
	2004			2003		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	<b>¥86,714,682</b>	<b>¥1,591,338</b>	<b>1.84%</b>	¥92,457,445	¥1,816,908	1.97%
Loans and bills discounted.....	<b>58,643,284</b>	<b>1,167,622</b>	<b>1.99</b>	62,931,901	1,262,092	2.01
Securities .....	<b>24,355,276</b>	<b>256,600</b>	<b>1.05</b>	23,440,003	268,261	1.14
Call loans and bills bought .....	<b>649,529</b>	<b>4,040</b>	<b>0.62</b>	748,139	4,179	0.56
Receivables under resale agreements .....	<b>161,173</b>	<b>2,542</b>	<b>1.58</b>	221,896	1,352	0.61
Receivables under securities borrowing transactions .....	<b>515,980</b>	<b>104</b>	<b>0.02</b>	1,254,675	225	0.02
Deposits with banks .....	<b>1,224,157</b>	<b>12,687</b>	<b>1.04</b>	1,769,576	34,768	1.96
Interest-bearing liabilities .....	<b>¥89,009,467</b>	<b>¥ 310,246</b>	<b>0.35%</b>	¥92,205,905	¥ 417,355	0.45%
Deposits .....	<b>63,115,626</b>	<b>104,644</b>	<b>0.17</b>	62,282,430	152,373	0.24
Negotiable certificates of deposit .....	<b>4,326,445</b>	<b>3,535</b>	<b>0.08</b>	5,933,016	7,576	0.13
Call money and bills sold .....	<b>7,310,332</b>	<b>2,598</b>	<b>0.04</b>	10,334,702	3,724	0.04
Payables under repurchase agreements ...	<b>2,065,520</b>	<b>4,212</b>	<b>0.20</b>	2,095,938	18,185	0.87
Payables under securities lending transactions .....	<b>5,090,264</b>	<b>48,622</b>	<b>0.96</b>	3,853,983	28,830	0.75
Commercial paper.....	<b>193,420</b>	<b>236</b>	<b>0.12</b>	268,052	380	0.14
Borrowed money.....	<b>2,486,093</b>	<b>43,561</b>	<b>1.75</b>	2,774,225	52,380	1.89
Bonds.....	<b>3,926,064</b>	<b>76,202</b>	<b>1.94</b>	3,696,169	76,202	2.06

- Notes: 1. The figures above comprise totals for domestic and overseas operations after intersegment eliminations.
2. In principle, average balances are computed by using daily balances. However, some consolidated subsidiaries use weekly, monthly or semiannual balances instead.
3. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2004, ¥1,336,284 million; 2003, ¥836,686 million).
4. Income and expenses resulting from money held in trust are included in "Other operating income" and "Other operating expenses." Therefore, "Interest-earning assets" are shown after deduction of the average balance of money held in trust (2004, ¥21,933 million; 2003, ¥43,769 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2004, ¥21,933 million; 2003, ¥43,769 million) and corresponding interest (2004, ¥21 million; 2003, ¥48 million).

## Fees and Commissions

Year ended March 31	Millions of yen							
	2004				2003			
	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total
Fees and commissions (income).....	¥471,941	¥30,604	¥(1,517)	¥501,028	¥395,641	¥28,765	¥(168)	¥424,238
Deposits and loans .....	17,470	17,995	(878)	34,587	14,117	15,683	(3)	29,797
Remittances and transfers.....	113,302	5,756	(614)	118,444	107,473	5,923	—	113,396
Securities-related business.....	43,883	0	—	43,883	30,819	2	—	30,822
Agency.....	16,239	—	—	16,239	15,325	—	—	15,325
Safe deposits.....	5,923	3	—	5,927	4,973	5	—	4,978
Guarantees.....	30,668	2,845	(10)	33,503	26,556	2,069	(164)	28,462
Credit card.....	90,506	—	—	90,506	86,145	—	—	86,145
Fees and commissions (expenses).....	¥ 73,172	¥ 4,309	¥ (629)	¥ 76,851	¥ 67,751	¥ 3,715	¥(127)	¥ 71,338
Remittances and transfers.....	21,952	2,128	(527)	23,553	20,461	1,327	—	21,789

Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

2. Intersegment transactions are reported in "Elimination and unallocated corporate assets" column.

## Trading Income

Year ended March 31	Millions of yen							
	2004				2003			
	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total
Trading profits.....	¥289,432	¥23,302	¥(7,723)	¥305,011	¥193,188	¥23,417	¥(10,109)	¥206,496
Gains on trading securities .....	6,735	—	—	6,735	6,328	2,861	—	9,190
Gains on securities related to trading transactions .....	—	—	—	—	—	—	—	—
Gains on trading-related financial derivatives.....	282,697	23,302	(7,723)	298,275	186,477	20,555	(10,109)	196,924
Others.....	—	—	—	—	381	—	—	381
Trading losses .....	¥ 8,628	¥ 11	¥(7,723)	¥ 916	¥ 7,401	¥ 3,433	¥(10,109)	¥ 725
Losses on trading securities .....	—	—	—	—	—	—	—	—
Losses on securities related to trading transactions .....	904	—	—	904	725	—	—	725
Losses on trading-related financial derivatives.....	7,723	—	(7,723)	—	6,675	3,433	(10,109)	—
Others.....	—	11	—	11	—	—	—	—

Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

2. Intersegment transactions are reported in "Elimination and unallocated corporate assets" column.