

# Income Analysis (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

## Operating Income, Classified by Domestic and Overseas Operations

Six months ended September 30, 2004 and 2003

Millions of yen

	Sept. 30, 2004				Sept. 30, 2003			
	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total
Interest income .....	¥668,794	¥104,023	¥(20,323)	¥752,495	¥711,326	¥134,190	¥(19,110)	¥826,407
Interest expenses .....	124,791	47,536	(15,625)	156,702	125,002	54,615	(16,465)	163,152
Net interest income .....	544,003	56,487	(4,697)	595,792	586,324	79,574	(2,644)	663,254
Trust fees .....	¥ 729	¥ —	¥ —	¥ 729	¥ 84	¥ —	¥ —	¥ 84
Fees and commissions (income) .....	¥262,498	¥ 19,534	¥ (77)	¥281,955	¥222,815	¥ 14,595	¥ (251)	¥237,159
Fees and commissions (expenses) .....	44,441	2,228	(93)	46,575	39,882	2,365	(278)	41,969
Net fees and commissions .....	218,057	17,306	16	235,379	182,933	12,229	26	195,190
Trading profits .....	¥ 27,282	¥ 7,739	¥ (4,094)	¥ 30,927	¥153,718	¥ 13,100	¥ (2,915)	¥163,904
Trading losses .....	2,112	2,587	(4,094)	605	2,193	721	(2,915)	—
Net trading income .....	25,170	5,151	—	30,322	151,525	12,379	—	163,904
Other operating income .....	¥544,292	¥ 8,048	¥ (546)	¥551,794	¥446,111	¥ 13,830	¥ (256)	¥459,685
Other operating expenses .....	392,639	1,867	(444)	394,061	420,639	12,406	(65)	432,980
Net other operating income .....	151,652	6,181	(101)	157,732	25,471	1,424	(191)	26,704

- 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 income" and "Other expenses." Therefore, "Interest expenses" are shown after deduction of expenses (first half of fiscal 2004, ¥1 million; first half of fiscal 2003, ¥16 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

Six months ended September 30, 2004 and 2003

### Domestic Operations

Millions of yen

	Sept. 30, 2004			Sept. 30, 2003		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets .....	¥78,638,471	¥668,794	1.70%	¥80,904,257	¥711,326	1.76%
Loans and bills discounted .....	51,278,263	506,829	1.98	54,619,544	521,345	1.91
Securities .....	23,794,963	113,132	0.95	23,738,285	118,891	1.00
Call loans and bills bought .....	656,016	1,470	0.45	388,832	716	0.37
Receivables under resale agreements .....	96,652	3	0.01	29,137	2	0.02
Receivables under securities borrowing transactions .....	779,344	77	0.02	659,019	71	0.02
Deposits with banks .....	1,090,730	8,261	1.51	668,518	2,533	0.76
Interest-bearing liabilities .....	¥83,832,839	¥124,791	0.30%	¥85,135,275	¥125,002	0.29%
Deposits .....	62,347,109	28,001	0.09	59,740,859	27,716	0.09
Negotiable certificates of deposit .....	3,526,673	383	0.02	4,244,403	434	0.02
Call money and bills sold .....	5,368,095	540	0.02	7,489,079	536	0.01
Payables under repurchase agreements .....	744,310	12	0.00	2,103,516	66	0.01
Payables under securities lending transactions .....	4,557,841	22,096	0.97	4,867,352	24,556	1.01
Commercial paper .....	286,656	99	0.07	160,083	105	0.13
Borrowed money .....	2,991,227	33,338	2.23	3,309,960	36,489	2.20
Bonds .....	3,438,848	26,610	1.55	2,779,101	20,824	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 calculated 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 (first half of fiscal 2004, ¥1,934,432 million; first half of fiscal 2003, ¥1,043,589 million).
4. Income and expenses resulting from money held in trust are included in "Other income" and "Other expenses." Therefore, "Interest-earning assets" are shown after deduction of the average balance of money held in trust (first half of fiscal 2004, ¥3,628 million; first half of fiscal 2003, ¥33,861 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (first half of fiscal 2004, ¥3,628 million; first half of fiscal 2003, ¥33,861 million) and corresponding interest (first half of fiscal 2004, ¥1 million; first half of fiscal 2003, ¥16 million).

## Overseas Operations

	Millions of yen					
	Sept. 30, 2004			Sept. 30, 2003		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥7,553,574	¥104,023	2.75%	¥7,868,913	¥134,190	3.41%
Loans and bills discounted.....	4,999,903	74,743	2.99	5,279,586	80,147	3.04
Securities .....	931,760	13,271	2.85	1,205,801	22,273	3.69
Call loans and bills bought .....	133,816	1,151	1.72	106,562	1,259	2.36
Receivables under resale agreements .....	148,035	1,277	1.73	129,285	1,482	2.29
Receivables under securities borrowing transactions.....	—	—	—	—	—	—
Deposits with banks .....	913,247	6,454	1.41	748,807	3,454	0.92
Interest-bearing liabilities .....	¥5,276,218	¥ 47,536	1.80%	¥5,184,006	¥ 54,615	2.11%
Deposits .....	3,832,756	26,040	1.36	3,432,379	29,787	1.74
Negotiable certificates of deposit .....	109,785	1,298	2.37	138,530	1,741	2.51
Call money and bills sold .....	137,739	748	1.09	122,188	770	1.26
Payables under repurchase agreements ...	247,421	1,545	1.25	471,962	2,953	1.25
Payables under securities lending transactions .....	—	—	—	—	—	—
Commercial paper.....	—	—	—	—	—	—
Borrowed money .....	104,414	1,399	2.68	116,137	1,697	2.92
Bonds.....	828,954	15,355	3.70	881,456	16,621	3.77

- 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 calculated 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 (first half of fiscal 2004, ¥37,164 million; first half of fiscal 2003, ¥27,755 million).

## Total of Domestic and Overseas Operations

	Millions of yen					
	Sept. 30, 2004			Sept. 30, 2003		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥85,419,596	¥752,495	1.76%	¥87,606,658	¥826,407	1.89%
Loans and bills discounted.....	55,497,980	567,082	2.04	58,998,690	585,813	1.99
Securities .....	24,897,108	121,740	0.98	24,944,087	138,520	1.11
Call loans and bills bought .....	789,832	2,621	0.66	495,395	1,975	0.80
Receivables under resale agreements .....	244,687	1,280	1.05	158,423	1,484	1.87
Receivables under securities borrowing transactions.....	779,344	77	0.02	659,019	71	0.02
Deposits with banks .....	1,841,541	13,547	1.47	1,151,314	5,201	0.90
Interest-bearing liabilities .....	¥88,166,118	¥156,702	0.36%	¥89,152,422	¥163,152	0.37%
Deposits .....	66,017,335	52,872	0.16	62,906,880	56,717	0.18
Negotiable certificates of deposit .....	3,636,459	1,682	0.09	4,382,933	2,176	0.10
Call money and bills sold .....	5,505,835	1,289	0.05	7,611,268	1,306	0.03
Payables under repurchase agreements ...	991,732	1,558	0.31	2,575,479	3,019	0.23
Payables under securities lending transactions .....	4,557,841	22,096	0.97	4,867,352	24,556	1.01
Commercial paper.....	286,656	99	0.07	160,083	105	0.13
Borrowed money .....	2,315,441	20,278	1.75	2,525,657	22,508	1.78
Bonds.....	4,267,803	41,965	1.97	3,660,558	37,446	2.05

- Notes: 1. The figures above comprise totals for domestic and overseas operations after intersegment eliminations.  
2. In principle, average balances are calculated 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 (first half of fiscal 2004, ¥1,971,503 million; first half of fiscal 2003, ¥1,070,997 million).  
4. Income and expenses resulting from money held in trust are included in "Other income" and "Other expenses." Therefore, "Interest-earning assets" are shown after deduction of the average balance of money held in trust (first half of fiscal 2004, ¥3,628 million; first half of fiscal 2003, ¥33,861 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (first half of fiscal 2004, ¥3,628 million; first half of fiscal 2003, ¥33,861 million) and corresponding interest (first half of fiscal 2004, ¥1 million; first half of fiscal 2003, ¥16 million).

## Fees and Commissions

Six months ended September 30, 2004 and 2003

	Millions of yen							
	Sept. 30, 2004				Sept. 30, 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) .....	<b>¥262,498</b>	<b>¥19,534</b>	<b>¥(77)</b>	<b>¥281,955</b>	¥222,815	¥14,595	¥(251)	¥237,159
Deposits and loans .....	<b>11,383</b>	<b>11,450</b>	<b>(11)</b>	<b>22,822</b>	8,561	7,898	(8)	16,452
Remittances and transfers .....	<b>57,154</b>	<b>3,465</b>	<b>(0)</b>	<b>60,620</b>	55,181	2,843	(0)	58,025
Securities-related business .....	<b>24,736</b>	<b>0</b>	<b>—</b>	<b>24,736</b>	22,505	0	—	22,505
Agency .....	<b>9,655</b>	<b>—</b>	<b>—</b>	<b>9,655</b>	7,782	—	—	7,782
Safe deposits .....	<b>3,181</b>	<b>1</b>	<b>—</b>	<b>3,183</b>	3,119	2	—	3,121
Guarantees .....	<b>19,439</b>	<b>1,728</b>	<b>(8)</b>	<b>21,159</b>	13,565	1,529	(241)	14,853
Credit card .....	<b>45,835</b>	<b>—</b>	<b>—</b>	<b>45,835</b>	44,268	—	—	44,268
<b>Fees and commissions (expenses).....</b>	<b>¥ 44,441</b>	<b>¥ 2,228</b>	<b>¥(93)</b>	<b>¥ 46,575</b>	¥ 39,882	¥ 2,365	¥(278)	¥ 41,969
Remittances and transfers .....	<b>11,208</b>	<b>765</b>	<b>(21)</b>	<b>11,952</b>	10,539	1,081	(0)	11,621

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

Six months ended September 30, 2004 and 2003

	Millions of yen							
	Sept. 30, 2004				Sept. 30, 2003			
	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total	Domestic operations	Overseas operations	Elimination and unallocated corporate assets	Total
Trading profits.....	<b>¥27,282</b>	<b>¥7,739</b>	<b>¥(4,094)</b>	<b>¥30,927</b>	¥153,718	¥13,100	¥(2,915)	¥163,904
Gains on trading securities .....	<b>5,047</b>	<b>—</b>	<b>—</b>	<b>5,047</b>	1,359	1,950	—	3,309
Gains on securities related to trading transactions...	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	286	—	—	286
Gains on trading-related financial derivatives.....	<b>22,042</b>	<b>7,460</b>	<b>(4,094)</b>	<b>25,408</b>	152,045	11,149	(2,915)	160,279
Others .....	<b>192</b>	<b>279</b>	<b>—</b>	<b>471</b>	28	—	—	28
<b>Trading losses .....</b>	<b>¥ 2,112</b>	<b>¥2,587</b>	<b>¥(4,094)</b>	<b>¥ 605</b>	¥ 2,193	¥ 721	¥(2,915)	¥ —
Losses on trading securities .....	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	—	—	—	—
Losses on securities related to trading transactions...	<b>605</b>	<b>—</b>	<b>—</b>	<b>605</b>	—	—	—	—
Losses on trading-related financial derivatives....	<b>1,507</b>	<b>2,587</b>	<b>(4,094)</b>	<b>—</b>	2,193	721	(2,915)	—
Others .....	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	—	—	—	—

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.