

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							
	2006				2005			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Interest income	¥1,306,241	¥392,619	¥(36,260)	¥1,662,600	¥1,352,588	¥219,685	¥(50,545)	¥1,521,728
Interest expenses	281,037	245,122	(25,167)	500,991	268,947	111,651	(30,216)	350,382
Net interest income.....	1,025,204	147,497	(11,092)	1,161,608	1,083,640	108,034	(20,329)	1,171,345
Trust fees.....	8,631	—	—	8,631	2,609	—	—	2,609
Fees and commissions (income).....	657,115	49,288	(2,474)	703,928	558,734	40,169	(2,817)	596,086
Fees and commissions (expenses)	82,489	3,601	(1,754)	84,336	78,271	4,535	(2,831)	79,976
Net fees and commissions	574,625	45,686	(719)	619,591	480,462	35,633	13	516,109
Trading profits.....	36,163	18,099	(21,455)	32,807	138,258	9,401	(3,073)	144,587
Trading losses	8,066	13,389	(21,455)	—	1,260	2,011	(3,073)	199
Net trading income	28,096	4,710	—	32,807	136,997	7,389	—	144,387
Other operating income	1,126,212	19,504	(1,569)	1,144,147	1,044,604	14,363	(678)	1,058,289
Other operating expenses	865,666	12,346	(1,377)	876,635	863,933	4,365	(550)	867,748
Net other operating income	260,545	7,157	(192)	267,511	180,670	9,998	(127)	190,540

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 (2006, ¥1 million; 2005, ¥3 million) related to the management of money held in trust.

3. Intersegment transactions are reported in "Elimination" column.

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

Domestic Operations

Year ended March 31	Millions of yen					
	2006			2005		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥76,691,842	¥1,306,241	1.70%	¥77,847,730	¥1,352,588	1.74%
Loans and bills discounted.....	50,469,167	953,658	1.89	50,766,858	1,007,194	1.98
Securities	21,565,285	290,826	1.35	23,316,850	247,782	1.06
Call loans and bills bought	713,123	7,773	1.09	587,437	4,116	0.70
Receivables under resale agreements	98,096	8	0.01	92,885	6	0.01
Receivables under securities borrowing transactions	1,411,749	613	0.04	874,138	185	0.02
Deposits with banks	1,387,168	23,781	1.71	1,226,375	20,671	1.69
Interest-bearing liabilities	¥83,944,515	¥ 281,037	0.33%	¥83,983,565	¥ 268,947	0.32%
Deposits	64,237,443	100,809	0.16	62,961,909	67,476	0.11
Negotiable certificates of deposit	3,359,901	844	0.03	3,561,190	800	0.02
Call money and bills sold	5,910,627	1,310	0.02	4,836,442	1,436	0.03
Payables under repurchase agreements ...	213,153	6	0.00	572,714	18	0.00
Payables under securities lending transactions	2,771,613	58,292	2.10	4,645,843	51,853	1.12
Commercial paper.....	64,266	69	0.11	305,731	224	0.07
Borrowed money	2,649,069	50,353	1.90	2,942,159	61,702	2.10
Short-term bonds	341,628	375	0.11	263	0	0.14
Bonds.....	3,867,212	62,878	1.63	3,623,970	55,676	1.54

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 (2006, ¥2,802,641 million; 2005, ¥1,674,507 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 (2006, ¥1,717 million; 2005, ¥3,629 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2006, ¥1,717 million; 2005, ¥3,629 million) and corresponding interest (2006, ¥1 million; 2005, ¥3 million).

Overseas Operations

Year ended March 31	Millions of yen					
	2006			2005		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥9,621,722	¥392,619	4.08%	¥8,043,184	¥219,685	2.73%
Loans and bills discounted.....	6,652,589	283,993	4.27	5,388,426	166,477	3.09
Securities	949,114	37,627	3.96	904,213	28,944	3.20
Call loans and bills bought	178,988	6,556	3.66	121,023	2,979	2.46
Receivables under resale agreements	182,955	6,758	3.69	155,602	3,157	2.03
Receivables under securities borrowing transactions	—	—	—	—	—	—
Deposits with banks	1,182,483	37,742	3.19	1,020,309	17,709	1.74
Interest-bearing liabilities	¥6,988,102	¥245,122	3.51%	¥5,483,853	¥111,651	2.04%
Deposits	5,705,664	167,488	2.94	4,105,888	66,220	1.61
Negotiable certificates of deposit	303,226	12,033	3.97	122,085	2,912	2.39
Call money and bills sold	145,523	4,658	3.20	160,044	2,480	1.55
Payables under repurchase agreements ...	208,672	7,440	3.57	212,983	3,454	1.62
Payables under securities lending transactions	—	—	—	—	—	—
Commercial paper.....	—	—	—	—	—	—
Borrowed money	93,085	2,182	2.34	100,866	3,109	3.08
Short-term bonds	—	—	—	—	—	—
Bonds.....	521,556	23,131	4.44	765,713	29,017	3.79

- 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 (2006, ¥32,268 million; 2005, ¥34,722 million).

Total of Domestic and Overseas Operations

Year ended March 31	Millions of yen					
	2006			2005		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥85,869,391	¥1,662,600	1.94%	¥85,168,708	¥1,521,728	1.79%
Loans and bills discounted.....	56,497,565	1,214,142	2.15	55,390,830	1,145,653	2.07
Securities	22,716,737	317,352	1.40	24,398,088	256,396	1.05
Call loans and bills bought	892,111	14,330	1.61	708,460	7,095	1.00
Receivables under resale agreements	281,051	6,767	2.41	248,487	3,163	1.27
Receivables under securities borrowing transactions	1,411,749	613	0.04	874,138	185	0.02
Deposits with banks	2,549,161	59,875	2.35	2,112,078	36,183	1.71
Interest-bearing liabilities	¥90,283,734	¥ 500,991	0.55%	¥88,566,822	¥ 350,382	0.40%
Deposits	69,920,269	266,648	0.38	66,931,833	131,498	0.20
Negotiable certificates of deposit	3,663,127	12,877	0.35	3,683,275	3,713	0.10
Call money and bills sold	6,056,150	5,969	0.10	4,996,487	3,917	0.08
Payables under repurchase agreements ...	421,826	7,447	1.77	785,698	3,472	0.44
Payables under securities lending transactions	2,771,613	58,292	2.10	4,645,843	51,853	1.12
Commercial paper.....	64,266	69	0.11	305,731	224	0.07
Borrowed money	2,117,940	29,016	1.37	2,278,563	36,793	1.61
Short-term bonds	341,628	375	0.11	263	0	0.14
Bonds.....	4,388,769	86,010	1.96	4,389,684	84,694	1.93

- 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 (2006, ¥2,832,832 million; 2005, ¥1,708,177 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 (2006, ¥1,717 million; 2005, ¥3,629 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2006, ¥1,717 million; 2005, ¥3,629 million) and corresponding interest (2006, ¥1 million; 2005, ¥3 million).

Fees and Commissions

Year ended March 31	Millions of yen							
	2006				2005			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Fees and commissions (income).....	¥657,115	¥49,288	¥(2,474)	¥703,928	¥558,734	¥40,169	¥(2,817)	¥596,086
Deposits and loans	23,622	32,250	(1,174)	54,698	23,448	23,974	(2,317)	45,105
Remittances and transfers.....	122,863	8,663	(1)	131,526	117,282	7,009	(2)	124,289
Securities-related business.....	64,561	211	—	64,773	51,973	0	—	51,973
Agency.....	18,929	—	—	18,929	19,304	—	—	19,304
Safe deposits.....	7,379	4	—	7,384	6,732	3	—	6,735
Guarantees.....	40,473	1,472	(500)	41,445	36,399	3,463	(419)	39,442
Credit card.....	108,643	—	—	108,643	93,768	—	—	93,768
Fees and commissions (expenses).....	¥ 82,489	¥ 3,601	¥(1,754)	¥ 84,336	¥ 78,271	¥ 4,535	¥(2,831)	¥ 79,976
Remittances and transfers.....	24,048	1,827	(7)	25,868	23,071	1,529	(384)	24,215

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" column.

Trading Income

Year ended March 31	Millions of yen							
	2006				2005			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Trading profits.....	¥36,163	¥18,099	¥(21,455)	¥32,807	¥138,258	¥9,401	¥(3,073)	¥144,587
Gains on trading securities	12,662	217	—	12,880	7,857	—	—	7,857
Gains on securities related to trading transactions	1,172	57	—	1,229	—	—	—	—
Gains on trading-related financial derivatives.....	22,230	17,824	(21,455)	18,599	129,965	9,332	(3,073)	136,224
Others.....	97	—	—	97	435	68	—	504
Trading losses	¥ 8,066	¥13,389	¥(21,455)	¥ —	¥ 1,260	¥2,011	¥(3,073)	¥ 199
Losses on trading securities	—	—	—	—	—	—	—	—
Losses on securities related to trading transactions	—	—	—	—	189	10	—	199
Losses on trading-related financial derivatives.....	8,066	13,389	(21,455)	—	1,071	2,001	(3,073)	—
Others.....	—	—	—	—	—	—	—	—

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" column.