

Income Analysis (Consolidated)

Sumitomo Mitsui Banking Corporation 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	¥1,273,062	¥392,619	¥(35,372)	¥1,630,309	¥1,320,829	¥219,685	¥(49,996)	¥1,490,519
Interest expenses	269,092	245,122	(24,279)	489,935	255,867	111,651	(29,666)	337,851
Net interest income	1,003,969	147,497	(11,092)	1,140,374	1,064,962	108,034	(20,329)	1,152,667
Trust fees	8,626	—	—	8,626	2,609	—	—	2,609
Fees and commissions (income)	557,992	49,288	(2,421)	604,859	474,455	40,169	(2,799)	511,824
Fees and commissions (expenses)	96,132	3,601	(1,754)	97,979	90,943	4,535	(2,809)	92,669
Net fees and commissions	461,860	45,686	(666)	506,879	383,511	35,633	10	419,155
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	341,621	19,504	(880)	360,246	298,745	14,310	(203)	312,852
Other operating expenses	126,546	12,346	(1,354)	137,538	168,482	4,365	(96)	172,751
Net other operating income	215,075	7,157	474	222,708	130,263	9,944	(107)	140,101

Notes: 1. Domestic operations comprise the operations of SMBC (excluding overseas branches) and its domestic consolidated subsidiaries. Overseas operations comprise the operations of SMBC's overseas branches and its 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	¥76,860,046	¥1,273,062	1.66%	¥77,870,320	¥1,320,829	1.70%
Loans and bills discounted	50,705,981	921,387	1.82	50,866,716	974,378	1.92
Securities	21,493,008	290,830	1.35	23,248,647	247,905	1.07
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	1,390,836	23,683	1.70	1,217,735	20,579	1.69
Interest-bearing liabilities	¥82,422,311	¥ 269,092	0.33%	¥82,499,517	¥ 255,867	0.31%
Deposits	64,276,673	100,809	0.16	62,999,470	67,477	0.11
Negotiable certificates of deposit	3,506,890	870	0.02	3,620,709	813	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	289	0	0.22	4,528	1	0.04
Borrowed money	1,486,282	41,865	2.82	1,798,989	51,055	2.84
Short-term bonds	3,791	4	0.12	136	0	0.12
Bonds	3,723,495	61,711	1.66	3,487,399	54,426	1.56

Notes: 1. Domestic operations comprise the operations of SMBC (excluding overseas branches) and its 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, ¥2,787,783 million; 2005, ¥1,670,430 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 SMBC's overseas branches and its 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.....	¥85,860,247	¥1,630,309	1.90%	¥85,037,716	¥1,490,519	1.75%
Loans and bills discounted.....	56,756,777	1,182,668	2.08	55,510,427	1,113,294	2.01
Securities	22,442,122	317,356	1.41	24,152,860	256,520	1.06
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	2,555,420	59,867	2.34	2,107,140	36,183	1.72
Interest-bearing liabilities	¥88,786,744	¥ 489,935	0.55%	¥87,106,414	¥ 337,851	0.39%
Deposits	69,962,314	266,739	0.38	66,973,294	131,591	0.20
Negotiable certificates of deposit	3,810,116	12,904	0.34	3,742,795	3,726	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	289	0	0.22	4,528	1	0.04
Borrowed money	977,550	21,326	2.18	1,155,133	26,603	2.30
Short-term bonds	3,791	4	0.12	136	0	0.12
Bonds	4,245,052	84,843	2.00	4,253,112	83,443	1.96

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, ¥2,817,927 million; 2005, ¥1,703,992 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).....	¥557,992	¥49,288	¥(2,421)	¥604,859	¥474,455	¥40,169	¥(2,799)	¥511,824
Deposits and loans	24,305	32,250	(1,174)	55,381	23,458	23,974	(2,317)	45,116
Remittances and transfers.....	123,757	8,663	(0)	132,420	118,292	7,009	(2)	125,299
Securities-related business.....	64,561	211	—	64,773	51,973	0	—	51,973
Agency.....	18,938	—	—	18,938	19,305	—	—	19,305
Safe deposits	7,380	4	—	7,384	6,732	3	—	6,736
Guarantees	40,246	1,472	(482)	41,236	36,153	3,463	(402)	39,213
Credit card	7,056	—	—	7,056	7,078	—	—	7,078
Fees and commissions (expenses)	¥ 96,132	¥ 3,601	¥(1,754)	¥ 97,979	¥ 90,943	¥ 4,535	¥(2,809)	¥ 92,669
Remittances and transfers.....	24,048	1,827	(7)	25,868	23,071	1,529	(363)	24,236

Notes: 1. Domestic operations comprise the operations of SMBC (excluding overseas branches) and its domestic consolidated subsidiaries. Overseas operations comprise the operations of SMBC's overseas branches and its 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 SMBC (excluding overseas branches) and its domestic consolidated subsidiaries. Overseas operations comprise the operations of SMBC's overseas branches and its overseas consolidated subsidiaries.
2. Intersegment transactions are reported in "Elimination" column.