

# Income Analysis (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

## Operating Income, Classified by Domestic and Overseas Operations

	Millions of yen							
	Six months ended September 30							
	2007				2006			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Interest income .....	¥761,166	¥354,866	¥(33,456)	¥1,082,577	¥669,798	¥260,926	¥(20,915)	¥909,808
Interest expenses .....	261,560	246,916	(25,478)	482,998	188,864	174,798	(13,471)	350,191
Net interest income .....	499,606	107,949	(7,977)	599,578	480,933	86,128	(7,444)	559,617
Trust fees .....	2,262	—	—	2,262	1,416	—	—	1,416
Fees and commissions (income) .....	312,264	34,967	(560)	346,671	308,644	29,029	(352)	337,322
Fees and commissions (expenses) .....	48,845	4,760	(374)	53,232	51,060	3,008	(141)	53,927
Net fees and commissions .....	263,419	30,206	(186)	293,439	257,583	26,021	(210)	283,394
Trading profits .....	116,315	7,974	(5,927)	118,362	57,247	15,023	(17,774)	54,496
Trading losses .....	1,538	4,389	(5,927)	—	10,473	10,184	(17,774)	2,883
Net trading income .....	114,777	3,584	—	118,362	46,773	4,839	—	51,613
Other operating income .....	475,105	11,252	2,328	488,686	493,369	8,041	(289)	501,121
Other operating expenses .....	475,565	4,253	(44)	479,774	507,261	4,184	(94)	511,352
Net other operating income .....	(459)	6,999	2,372	8,912	(13,892)	3,856	(194)	(10,230)

- 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 2007, ¥4 million; first half of fiscal 2006, ¥1 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

	Millions of yen					
	Six months ended September 30					
	2007			2006		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets .....	¥74,006,428	¥761,166	2.06%	¥77,332,447	¥669,798	1.73%
Loans and bills discounted .....	50,707,587	556,253	2.19	51,544,254	481,416	1.87
Securities .....	17,590,126	141,532	1.61	20,875,872	136,557	1.31
Call loans and bills bought .....	859,111	9,642	2.24	883,704	8,165	1.85
Receivables under resale agreements .....	63,945	180	0.57	42,697	19	0.09
Receivables under securities borrowing transactions .....	1,217,962	4,142	0.68	1,437,162	1,615	0.22
Deposits with banks .....	2,006,977	20,921	2.08	1,139,174	13,743	2.41
Interest-bearing liabilities .....	¥79,699,929	¥261,560	0.66%	¥81,673,373	¥188,864	0.46%
Deposits .....	65,471,103	122,903	0.38	65,285,046	76,231	0.23
Negotiable certificates of deposit .....	2,426,076	6,843	0.56	2,307,551	1,590	0.14
Call money and bills sold .....	1,771,545	4,563	0.52	3,937,832	1,608	0.08
Payables under repurchase agreements .....	42,904	119	0.56	142,187	127	0.18
Payables under securities lending transactions .....	1,637,532	18,397	2.25	2,349,592	33,050	2.81
Commercial paper .....	—	—	—	1,416	1	0.24
Borrowed money .....	3,903,581	38,800	1.99	3,057,003	20,845	1.36
Short-term bonds .....	409,670	1,388	0.68	351,434	513	0.29
Bonds .....	3,766,281	36,903	1.96	3,831,209	33,792	1.76

- 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 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 2007, ¥775,416 million; first half of fiscal 2006, ¥1,400,562 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 2007, ¥2,564 million; first half of fiscal 2006, ¥2,607 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (first half of fiscal 2007, ¥2,564 million; first half of fiscal 2006, ¥2,607 million) and corresponding interest (first half of fiscal 2007, ¥4 million; first half of fiscal 2006, ¥1 million).

## Overseas Operations

	Millions of yen					
	Six months ended September 30					
	2007			2006		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	<b>¥12,831,985</b>	<b>¥354,866</b>	<b>5.53%</b>	¥10,536,815	¥260,926	4.95%
Loans and bills discounted.....	<b>8,650,172</b>	<b>237,700</b>	<b>5.50</b>	7,236,264	181,394	5.01
Securities .....	<b>1,125,747</b>	<b>34,775</b>	<b>6.18</b>	1,085,709	28,609	5.27
Call loans and bills bought .....	<b>255,133</b>	<b>6,978</b>	<b>5.47</b>	177,086	4,827	5.45
Receivables under resale agreements .....	<b>264,308</b>	<b>4,077</b>	<b>3.09</b>	160,353	3,732	4.65
Receivables under securities borrowing transactions .....	—	—	—	—	—	—
Deposits with banks .....	<b>2,171,429</b>	<b>46,502</b>	<b>4.28</b>	1,363,415	26,398	3.87
Interest-bearing liabilities .....	<b>¥ 9,423,214</b>	<b>¥246,916</b>	<b>5.24%</b>	¥ 8,067,107	¥174,798	4.33%
Deposits .....	<b>7,723,565</b>	<b>156,022</b>	<b>4.04</b>	6,244,001	125,375	4.02
Negotiable certificates of deposit .....	<b>699,180</b>	<b>19,604</b>	<b>5.61</b>	761,386	18,824	4.94
Call money and bills sold .....	<b>311,950</b>	<b>7,062</b>	<b>4.53</b>	251,630	5,632	4.48
Payables under repurchase agreements ...	<b>112,325</b>	<b>2,892</b>	<b>5.15</b>	347,611	8,563	4.93
Payables under securities lending transactions .....	—	—	—	—	—	—
Commercial paper.....	—	—	—	—	—	—
Borrowed money .....	<b>253,620</b>	<b>6,593</b>	<b>5.20</b>	84,867	722	1.70
Short-term bonds .....	—	—	—	—	—	—
Bonds.....	<b>308,609</b>	<b>9,964</b>	<b>6.46</b>	368,175	10,763	5.85

- 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 using daily balances. However, some overseas consolidated subsidiaries use weekly, monthly or semi-annual balances instead.  
3. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (first half of fiscal 2007, ¥73,726 million; first half of fiscal 2006, ¥39,070 million).

## Total of Domestic and Overseas Operations

	Millions of yen					
	Six months ended September 30					
	2007			2006		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	<b>¥86,013,596</b>	<b>¥1,082,577</b>	<b>2.52%</b>	¥87,436,836	¥909,808	2.08%
Loans and bills discounted.....	<b>58,456,897</b>	<b>771,407</b>	<b>2.64</b>	58,198,676	651,018	2.24
Securities .....	<b>18,998,091</b>	<b>167,526</b>	<b>1.76</b>	22,209,525	157,718	1.42
Call loans and bills bought .....	<b>1,114,244</b>	<b>16,621</b>	<b>2.98</b>	1,060,790	12,993	2.45
Receivables under resale agreements .....	<b>328,254</b>	<b>4,258</b>	<b>2.59</b>	203,051	3,751	3.69
Receivables under securities borrowing transactions .....	<b>1,217,962</b>	<b>4,142</b>	<b>0.68</b>	1,437,162	1,615	0.22
Deposits with banks .....	<b>3,974,159</b>	<b>65,295</b>	<b>3.29</b>	2,404,594	38,467	3.20
Interest-bearing liabilities .....	<b>¥88,015,811</b>	<b>¥ 482,998</b>	<b>1.10%</b>	¥89,059,773	¥350,191	0.79%
Deposits .....	<b>72,990,208</b>	<b>276,767</b>	<b>0.76</b>	71,430,863	199,933	0.56
Negotiable certificates of deposit .....	<b>3,125,257</b>	<b>26,447</b>	<b>1.69</b>	3,068,937	20,415	1.33
Call money and bills sold .....	<b>2,083,495</b>	<b>11,625</b>	<b>1.12</b>	4,189,463	7,240	0.35
Payables under repurchase agreements ...	<b>155,229</b>	<b>3,011</b>	<b>3.88</b>	489,799	8,691	3.55
Payables under securities lending transactions .....	<b>1,637,532</b>	<b>18,397</b>	<b>2.25</b>	2,349,592	33,050	2.81
Commercial paper.....	—	—	—	1,416	1	0.24
Borrowed money .....	<b>3,256,255</b>	<b>22,074</b>	<b>1.36</b>	2,559,879	9,771	0.76
Short-term bonds .....	<b>409,670</b>	<b>1,388</b>	<b>0.68</b>	351,434	513	0.29
Bonds.....	<b>4,074,891</b>	<b>46,867</b>	<b>2.30</b>	4,199,384	44,556	2.12

- Notes: 1. The figures above comprise totals for domestic and overseas operations after intersegment eliminations.  
2. In principle, average balances are calculated 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 2007, ¥850,249 million; first half of fiscal 2006, ¥1,459,271 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 2007, ¥2,564 million; first half of fiscal 2006, ¥2,607 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (first half of fiscal 2007, ¥2,564 million; first half of fiscal 2006, ¥2,607 million) and corresponding interest (first half of fiscal 2007, ¥4 million; first half of fiscal 2006, ¥1 million).

## Fees and Commissions

	Millions of yen							
	Six months ended September 30							
	2007				2006			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Fees and commissions (income).....	¥312,264	¥34,967	¥(560)	¥346,671	¥308,644	¥29,029	¥(352)	¥337,322
Deposits and loans .....	11,859	21,802	—	33,662	11,878	19,383	—	31,262
Remittances and transfers.....	61,840	4,630	(0)	66,470	61,462	4,502	(0)	65,964
Securities-related business.....	17,981	67	—	18,048	24,188	0	—	24,188
Agency .....	8,426	178	—	8,604	8,521	—	—	8,521
Safe deposits .....	3,815	2	—	3,817	3,904	2	(0)	3,906
Guarantees .....	20,475	2,295	(182)	22,587	21,131	2,072	(214)	22,989
Credit card .....	62,282	—	—	62,282	57,374	—	—	57,374
Fees and commissions (expenses) .....	¥ 48,845	¥ 4,760	¥(374)	¥ 53,232	¥ 51,060	¥ 3,008	¥(141)	¥ 53,927
Remittances and transfers.....	13,115	2,031	(66)	15,081	12,291	930	(74)	13,146

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

	Millions of yen							
	Six months ended September 30							
	2007				2006			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Trading profits.....	¥116,315	¥7,974	¥(5,927)	¥118,362	¥57,247	¥15,023	¥(17,774)	¥54,496
Gains on trading securities .....	11,671	362	—	12,034	5,837	951	—	6,788
Gains on securities related to trading transactions .....	291	153	—	445	—	—	—	—
Gains on trading-related financial derivatives.....	100,834	7,457	(5,927)	102,364	50,312	14,072	(17,774)	46,610
Others.....	3,518	—	—	3,518	1,096	—	—	1,096
Trading losses .....	¥ 1,538	¥4,389	¥(5,927)	¥ —	¥10,473	¥10,184	¥(17,774)	¥ 2,883
Losses on trading securities .....	—	—	—	—	—	—	—	—
Losses on securities related to trading transactions .....	—	—	—	—	2,813	69	—	2,883
Losses on trading-related financial derivatives.....	1,538	4,389	(5,927)	—	7,659	10,114	(17,774)	—
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.