

Income Analysis (Nonconsolidated)

Sumitomo Mitsui Banking Corporation

Gross Banking Profit, Classified by Domestic and International Operations

| Year ended March 31 | Millions of yen | | | | | |
|-------------------------------------|---------------------|--------------------------|------------|---------------------|--------------------------|------------|
| | 2015 | | | 2014 | | |
| | Domestic operations | International operations | Total | Domestic operations | International operations | Total |
| Interest income | ¥ 926,308 | ¥542,110 | ¥1,455,992 | ¥ 948,945 | ¥441,597 | ¥1,367,602 |
| | | | [12,426] | | | [22,941] |
| Interest expenses | 62,770 | 284,220 | 334,564 | 68,297 | 257,338 | 302,695 |
| | | | [12,426] | | | [22,941] |
| Net interest income | 863,538 | 257,890 | 1,121,428 | 880,647 | 184,258 | 1,064,906 |
| Trust fees | 1,841 | 31 | 1,872 | 1,945 | 27 | 1,972 |
| Fees and commissions | 337,140 | 180,387 | 517,528 | 350,020 | 163,288 | 513,309 |
| Fees and commissions payments | 121,569 | 45,978 | 167,548 | 119,579 | 36,377 | 155,957 |
| Net fees and commissions | 215,570 | 134,409 | 349,979 | 230,441 | 126,910 | 357,351 |
| Trading income | 3,380 | 9,418 | 12,799 | 206 | 36,852 | 37,059 |
| Trading losses | — | — | — | 280 | — | 280 |
| Net trading income | 3,380 | 9,418 | 12,799 | (73) | 36,852 | 36,779 |
| Other operating income | 27,321 | 166,738 | 194,059 | 24,886 | 117,475 | 142,006 |
| Other operating expenses | 13,928 | 31,927 | 45,855 | 25,839 | 19,349 | 44,833 |
| Net other operating income | 13,393 | 134,810 | 148,204 | (952) | 98,125 | 97,172 |
| Gross banking profit | ¥1,097,724 | ¥536,560 | ¥1,634,284 | ¥1,112,008 | ¥446,175 | ¥1,558,184 |
| Gross banking profit rate (%) | 1.55% | 1.41% | 1.56% | 1.53% | 1.42% | 1.55% |

- Notes: 1. Domestic operations include yen-denominated transactions by domestic branches, while international operations include foreign-currency-denominated transactions by domestic branches and operations by overseas branches. Yen-denominated nonresident transactions and Japan offshore banking accounts are included in international operations.
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 (2014, ¥1 million) related to the management of money held in trust.
3. Figures in brackets [] indicate interest payments between domestic and international operations. As net interest figures are shown for interest rate swaps and similar instruments, some figures for domestic and international operations do not add up to their sums.
4. The figures in the total column of "Other operating income" and "Other operating expenses" are less than the combined total for "Domestic operations" and "International operations" (2014, ¥355 million) due to the presentation of net amounts for gains (losses) from derivative transactions.
5. Gross banking profit rate = Gross banking profit / Average balance of interest-earning assets × 100

Average Balance, Interest and Average Rate of Interest-Earning Assets and Interest-Bearing Liabilities

Domestic Operations

| Year ended March 31 | Millions of yen | | | | | |
|---|-----------------|----------|--------------|-----------------|----------|--------------|
| | 2015 | | | 2014 | | |
| | Average balance | Interest | Average rate | Average balance | Interest | Average rate |
| Interest-earning assets | ¥70,641,557 | ¥926,308 | 1.31% | ¥72,442,213 | ¥948,945 | 1.30% |
| | [4,225,764] | [12,426] | | [3,577,815] | [22,941] | |
| Loans and bills discounted | 45,297,845 | 593,408 | 1.31 | 45,370,735 | 637,488 | 1.40 |
| Securities | 20,185,808 | 289,726 | 1.43 | 22,616,380 | 268,083 | 1.18 |
| Call loans | 99,639 | 259 | 0.26 | 69,790 | 216 | 0.31 |
| Receivables under resale agreements | — | — | — | — | — | — |
| Receivables under securities borrowing transactions | 456,748 | 957 | 0.20 | 420,070 | 1,023 | 0.24 |
| Bills bought | 14,850 | 390 | 2.62 | 28,469 | 764 | 2.68 |
| Deposits with banks | 7,757 | 1 | 0.01 | 6,699 | 1 | 0.01 |
| Interest-bearing liabilities | ¥87,716,915 | ¥ 62,770 | 0.07% | ¥80,855,505 | ¥ 68,297 | 0.08% |
| Deposits | 70,404,105 | 23,868 | 0.03 | 68,817,306 | 26,409 | 0.03 |
| Negotiable certificates of deposit | 6,486,838 | 5,788 | 0.08 | 5,847,365 | 6,234 | 0.10 |
| Call money | 1,398,849 | 683 | 0.04 | 973,696 | 490 | 0.05 |
| Payables under repurchase agreements | 53,749 | 47 | 0.08 | 37,359 | 35 | 0.09 |
| Payables under securities lending transactions | 1,767,038 | 961 | 0.05 | 569,069 | 355 | 0.06 |
| Borrowed money | 4,946,776 | 10,570 | 0.21 | 1,583,166 | 7,123 | 0.44 |
| Short-term bonds | 24,999 | 17 | 0.07 | 23,819 | 16 | 0.07 |
| Bonds | 1,824,687 | 19,811 | 1.08 | 2,272,425 | 26,548 | 1.16 |

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2015, ¥20,982,578 million; 2014, ¥11,857,804 million).
2. 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 (2014, ¥2,269 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2014, ¥2,269 million) and corresponding interest (2014, ¥1 million).
3. Figures in brackets [] indicate the average balances of interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses. As net interest figures are shown for interest rate swaps and similar instruments, some figures for domestic and international operations do not add up to their sums.

International Operations

Millions of yen

| Year ended March 31 | 2015 | | | 2014 | | |
|---|-----------------|----------|--------------|-----------------|----------|--------------|
| | Average balance | Interest | Average rate | Average balance | Interest | Average rate |
| Interest-earning assets..... | ¥37,906,621 | ¥542,110 | 1.43% | ¥31,405,213 | ¥441,597 | 1.40% |
| Loans and bills discounted..... | 20,797,386 | 397,077 | 1.90 | 16,584,726 | 307,966 | 1.85 |
| Securities..... | 6,338,457 | 67,027 | 1.05 | 5,710,389 | 66,671 | 1.16 |
| Call loans..... | 369,455 | 5,272 | 1.42 | 390,688 | 4,675 | 1.19 |
| Receivables under resale agreements..... | 412,957 | 4,760 | 1.15 | 332,774 | 4,646 | 1.39 |
| Receivables under securities borrowing transactions..... | 294,806 | 1,407 | 0.47 | 197,496 | 895 | 0.45 |
| Deposits with banks..... | 6,538,186 | 27,241 | 0.41 | 5,670,327 | 23,786 | 0.41 |
| Interest-bearing liabilities..... | ¥36,790,634 | ¥284,220 | 0.77% | ¥30,729,027 | ¥257,338 | 0.83% |
| | [4,225,764] | [12,426] | | [3,577,815] | [22,941] | |
| Deposits..... | 13,603,482 | 47,719 | 0.35 | 11,261,215 | 36,375 | 0.32 |
| Negotiable certificates of deposit..... | 8,671,748 | 37,351 | 0.43 | 6,983,225 | 32,301 | 0.46 |
| Call money..... | 608,136 | 1,947 | 0.32 | 594,332 | 1,879 | 0.31 |
| Payables under repurchase agreements.... | 1,260,612 | 3,248 | 0.25 | 1,321,602 | 3,081 | 0.23 |
| Payables under securities lending transactions..... | 904,212 | 1,592 | 0.17 | 772,910 | 1,201 | 0.15 |
| Borrowed money..... | 1,987,396 | 66,250 | 3.33 | 1,970,189 | 71,238 | 3.61 |
| Bonds..... | 2,795,189 | 74,317 | 2.65 | 2,101,155 | 58,142 | 2.76 |

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2015, ¥93,568 million; 2014, ¥60,515 million).
2. Figures in brackets [] indicate the average balances of interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses. As net interest figures are shown for interest rate swaps and similar instruments, some figures for domestic and international operations do not add up to their sums.
3. The average balance of foreign-currency-denominated transactions by domestic branches in international operations is calculated by the monthly current method, under which the TT middle rate at the end of the previous month is applied to nonexchange transactions of the month concerned.

Total of Domestic and International Operations

Millions of yen

| Year ended March 31 | 2015 | | | 2014 | | |
|---|-----------------|------------|--------------|-----------------|------------|--------------|
| | Average balance | Interest | Average rate | Average balance | Interest | Average rate |
| Interest-earning assets..... | ¥104,322,413 | ¥1,455,992 | 1.39% | ¥100,269,611 | ¥1,367,602 | 1.36% |
| Loans and bills discounted..... | 66,095,232 | 990,485 | 1.49 | 61,955,462 | 945,454 | 1.52 |
| Securities..... | 26,524,265 | 356,754 | 1.34 | 28,326,769 | 334,755 | 1.18 |
| Call loans..... | 469,094 | 5,532 | 1.17 | 460,479 | 4,892 | 1.06 |
| Receivables under resale agreements..... | 412,957 | 4,760 | 1.15 | 332,774 | 4,646 | 1.39 |
| Receivables under securities borrowing transactions..... | 751,554 | 2,365 | 0.31 | 617,566 | 1,918 | 0.31 |
| Bills bought..... | 14,850 | 390 | 2.62 | 28,469 | 764 | 2.68 |
| Deposits with banks..... | 6,545,943 | 27,242 | 0.41 | 5,677,026 | 23,788 | 0.41 |
| Interest-bearing liabilities..... | ¥120,281,785 | ¥ 334,564 | 0.27% | ¥108,006,718 | ¥ 302,695 | 0.28% |
| Deposits..... | 84,007,587 | 71,588 | 0.08 | 80,078,521 | 62,784 | 0.07 |
| Negotiable certificates of deposit..... | 15,158,586 | 43,140 | 0.28 | 12,830,590 | 38,536 | 0.30 |
| Call money..... | 2,006,986 | 2,630 | 0.13 | 1,568,029 | 2,370 | 0.15 |
| Payables under repurchase agreements.... | 1,314,362 | 3,295 | 0.25 | 1,358,961 | 3,117 | 0.22 |
| Payables under securities lending transactions..... | 2,671,250 | 2,554 | 0.09 | 1,341,979 | 1,557 | 0.11 |
| Borrowed money..... | 6,934,173 | 76,821 | 1.10 | 3,553,356 | 78,361 | 2.20 |
| Short-term bonds..... | 24,999 | 17 | 0.07 | 23,819 | 16 | 0.07 |
| Bonds..... | 4,619,876 | 94,128 | 2.03 | 4,373,580 | 84,690 | 1.93 |

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2015, ¥21,076,146 million; 2014, ¥11,918,319 million).
2. 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 (2014, ¥2,269 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2014, ¥2,269 million) and corresponding interest (2014, ¥1 million).
3. Figures in the table above indicate the net average balances of amounts adjusted for interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses.

Breakdown of Interest Income and Interest Expenses

Domestic Operations

| | Millions of yen | | | | | |
|---|--|--|-------------------------------|--|--|-------------------------------|
| | 2015 | | | 2014 | | |
| Year ended March 31 | Volume-related increase (decrease) | Rate-related increase (decrease) | Net increase (decrease) | Volume-related increase (decrease) | Rate-related increase (decrease) | Net increase (decrease) |
| Interest income..... | ¥(23,587) | ¥ 950 | ¥(22,636) | ¥(94,385) | ¥145,396 | ¥ 51,011 |
| Loans and bills discounted..... | (1,022) | (43,057) | (44,080) | 12,958 | (55,726) | (42,767) |
| Securities..... | (28,810) | 50,454 | 21,643 | (57,690) | 143,049 | 85,359 |
| Call loans..... | 77 | (34) | 43 | 65 | (99) | (33) |
| Receivables under resale agreements..... | — | — | — | — | — | — |
| Receivables under securities borrowing transactions..... | 76 | (142) | (66) | (81) | 3 | (78) |
| Bills bought..... | (358) | (15) | (374) | 169 | (185) | (16) |
| Deposits with banks..... | 0 | 0 | 0 | 0 | (0) | 0 |
| Interest expenses..... | ¥ 4,910 | ¥(10,437) | ¥ (5,527) | ¥ 1,157 | ¥ (17,157) | ¥(15,999) |
| Deposits..... | 538 | (3,078) | (2,540) | 927 | (3,972) | (3,045) |
| Negotiable certificates of deposit..... | 570 | (1,016) | (445) | (1,107) | (2,347) | (3,455) |
| Call money..... | 207 | (15) | 192 | (1) | (96) | (97) |
| Payables under repurchase agreements.... | 14 | (2) | 11 | (16) | (3) | (20) |
| Payables under securities lending transactions..... | 651 | (46) | 605 | (147) | (188) | (336) |
| Borrowed money..... | 7,187 | (3,740) | 3,447 | 1,093 | (2,057) | (963) |
| Short-term bonds..... | 0 | (0) | 0 | 3 | (1) | 1 |
| Bonds..... | (4,958) | (1,778) | (6,736) | (5,031) | (3,060) | (8,092) |

International Operations

| | Millions of yen | | | | | |
|---|--|--|-------------------------------|--|--|-------------------------------|
| | 2015 | | | 2014 | | |
| Year ended March 31 | Volume-related increase (decrease) | Rate-related increase (decrease) | Net increase (decrease) | Volume-related increase (decrease) | Rate-related increase (decrease) | Net increase (decrease) |
| Interest income..... | ¥92,859 | ¥ 7,653 | ¥100,512 | ¥68,080 | ¥(21,767) | ¥46,313 |
| Loans and bills discounted..... | 80,210 | 8,900 | 89,111 | 53,179 | (19,073) | 34,105 |
| Securities..... | 6,641 | (6,285) | 356 | (5,079) | 8,556 | 3,477 |
| Call loans..... | (254) | 850 | 596 | (315) | 1,225 | 910 |
| Receivables under resale agreements..... | 924 | (810) | 114 | 1,127 | (1,490) | (362) |
| Receivables under securities borrowing transactions..... | 462 | 50 | 512 | 406 | (11) | 395 |
| Deposits with banks..... | 3,615 | (161) | 3,454 | 6,741 | (2,393) | 4,347 |
| Interest expenses..... | ¥46,828 | ¥(19,946) | ¥ 26,881 | ¥45,970 | ¥(26,350) | ¥19,620 |
| Deposits..... | 8,026 | 3,318 | 11,344 | 7,607 | (2,268) | 5,338 |
| Negotiable certificates of deposit..... | 7,272 | (2,223) | 5,049 | 9,248 | (8,287) | 961 |
| Call money..... | 44 | 23 | 67 | 161 | (538) | (376) |
| Payables under repurchase agreements.... | (142) | 309 | 166 | (93) | (2,080) | (2,174) |
| Payables under securities lending transactions..... | 219 | 171 | 391 | (1,707) | (1,087) | (2,795) |
| Borrowed money..... | 573 | (5,561) | (4,987) | 1,785 | (11,607) | (9,822) |
| Bonds..... | 18,452 | (2,277) | 16,175 | 17,452 | (3,554) | 13,897 |

Total of Domestic and International Operations

| | Millions of yen | | | | | |
|---|--|--|-------------------------------|--|--|-------------------------------|
| | 2015 | | | 2014 | | |
| Year ended March 31 | Volume-related increase (decrease) | Rate-related increase (decrease) | Net increase (decrease) | Volume-related increase (decrease) | Rate-related increase (decrease) | Net increase (decrease) |
| Interest income..... | ¥56,094 | ¥ 32,295 | ¥88,390 | ¥(56,782) | ¥153,710 | ¥96,928 |
| Loans and bills discounted..... | 62,037 | (17,006) | 45,031 | 57,777 | (66,439) | (8,662) |
| Securities..... | (21,301) | 43,300 | 21,999 | (68,488) | 157,325 | 88,837 |
| Call loans..... | 92 | 547 | 639 | (122) | 999 | 876 |
| Receivables under resale agreements..... | 924 | (810) | 114 | 1,127 | (1,490) | (362) |
| Receivables under securities borrowing transactions..... | 421 | 25 | 446 | 168 | 149 | 317 |
| Bills bought..... | (358) | (15) | (374) | 169 | (185) | (16) |
| Deposits with banks..... | 3,616 | (161) | 3,454 | 6,735 | (2,387) | 4,347 |
| Interest expenses..... | ¥34,143 | ¥ (2,274) | ¥31,869 | ¥ 16,356 | ¥ (13,131) | ¥ 3,224 |
| Deposits..... | 3,177 | 5,626 | 8,803 | 3,741 | (1,448) | 2,293 |
| Negotiable certificates of deposit..... | 6,625 | (2,021) | 4,603 | 3,497 | (5,991) | (2,494) |
| Call money..... | 575 | (315) | 260 | 74 | (548) | (474) |
| Payables under repurchase agreements.... | (102) | 281 | 178 | (151) | (2,042) | (2,194) |
| Payables under securities lending transactions..... | 1,270 | (274) | 996 | (1,666) | (1,465) | (3,131) |
| Borrowed money..... | 37,454 | (38,995) | (1,540) | 6,449 | (17,235) | (10,786) |
| Short-term bonds..... | 0 | (0) | 0 | 3 | (1) | 1 |
| Bonds..... | 4,898 | 4,539 | 9,438 | 4,163 | 1,642 | 5,805 |

Note: Volume/rate variance is prorated according to changes in volume and rate.

Fees and Commissions

| Year ended March 31 | Millions of yen | | | | | |
|------------------------------------|---------------------|--------------------------|----------|---------------------|--------------------------|----------|
| | 2015 | | | 2014 | | |
| | Domestic operations | International operations | Total | Domestic operations | International operations | Total |
| Fees and commissions..... | ¥337,140 | ¥180,387 | ¥517,528 | ¥350,020 | ¥163,288 | ¥513,309 |
| Deposits and loans..... | 11,806 | 96,126 | 107,933 | 11,780 | 87,990 | 99,771 |
| Remittances and transfers..... | 91,204 | 34,602 | 125,806 | 90,852 | 31,316 | 122,168 |
| Securities-related business..... | 12,485 | 2,620 | 15,105 | 11,893 | 2,287 | 14,181 |
| Agency..... | 11,955 | — | 11,955 | 12,767 | — | 12,767 |
| Safe deposits..... | 5,325 | — | 5,325 | 5,404 | — | 5,404 |
| Guarantees..... | 17,212 | 22,160 | 39,373 | 17,871 | 19,599 | 37,471 |
| Fees and commissions payments..... | ¥121,569 | ¥ 45,978 | ¥167,548 | ¥119,579 | ¥ 36,377 | ¥155,957 |
| Remittances and transfers..... | 22,532 | 13,505 | 36,037 | 22,037 | 11,739 | 33,777 |

Trading Income

| Year ended March 31 | Millions of yen | | | | | |
|---|---------------------|--------------------------|---------|---------------------|--------------------------|---------|
| | 2015 | | | 2014 | | |
| | Domestic operations | International operations | Total | Domestic operations | International operations | Total |
| Trading income..... | ¥3,380 | ¥9,418 | ¥12,799 | ¥206 | ¥36,852 | ¥37,059 |
| Gains on trading securities..... | 3,227 | — | 3,227 | — | — | — |
| Gains on securities related to trading transactions..... | — | 2,944 | 2,944 | — | 20,277 | 20,277 |
| Gains on trading-related financial derivatives..... | — | 6,474 | 6,474 | — | 16,570 | 16,570 |
| Others..... | 153 | — | 153 | 206 | 3 | 210 |
| Trading losses..... | ¥ — | ¥ — | ¥ — | ¥280 | ¥ — | ¥ 280 |
| Losses on trading securities..... | — | — | — | 280 | — | 280 |
| Losses on securities related to trading transactions..... | — | — | — | — | — | — |
| Losses on trading-related financial derivatives..... | — | — | — | — | — | — |
| Others..... | — | — | — | — | — | — |

Note: Figures represent net gains after offsetting income against expenses.

Net Other Operating Income (Expenses)

| Year ended March 31 | Millions of yen | | | | | |
|--|---------------------|--------------------------|----------|---------------------|--------------------------|---------|
| | 2015 | | | 2014 | | |
| | Domestic operations | International operations | Total | Domestic operations | International operations | Total |
| Net other operating income (expenses)..... | ¥13,393 | ¥134,810 | ¥148,204 | ¥ (952) | ¥98,125 | ¥97,172 |
| Gains (losses) on bonds..... | 3,341 | 44,558 | 47,899 | (4,862) | 5,596 | 734 |
| Gains (losses) on derivatives..... | (3,596) | (16,342) | (19,939) | (2,984) | 355 | (2,629) |
| Gains on foreign exchange transactions.... | — | 107,262 | 107,262 | — | 90,117 | 90,117 |

General and Administrative Expenses

| Year ended March 31 | Millions of yen | |
|--|-----------------|----------|
| | 2015 | 2014 |
| | | |
| Salaries and related expenses..... | ¥270,814 | ¥242,163 |
| Retirement benefit cost..... | 4,162 | 8,651 |
| Welfare expenses..... | 42,902 | 37,597 |
| Depreciation..... | 82,976 | 81,666 |
| Rent and lease expenses..... | 64,934 | 64,188 |
| Building and maintenance expenses..... | 5,405 | 4,179 |
| Supplies expenses..... | 5,202 | 5,275 |
| Water, lighting, and heating expenses..... | 5,757 | 5,524 |
| Traveling expenses..... | 6,005 | 4,968 |
| Communication expenses..... | 7,117 | 7,248 |
| Publicity and advertising expenses..... | 12,522 | 7,171 |
| Taxes, other than income taxes..... | 42,859 | 37,368 |
| Deposit insurance..... | 49,063 | 47,202 |
| Others..... | 191,487 | 192,538 |
| Total..... | ¥791,211 | ¥745,745 |