

Progress Report on the Plan for Strengthening the Financial Base

(Selected tables from the original Japanese report)

August 2006

Sumitomo Mitsui Financial Group, Inc.

(Table 1-1) Trend and Plan of Income [Sumitomo Mitsui Financial Group]

Holding company established in December 2002

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual	
(Scale)<Average balance for Assets and Liabilities, term-end balance for Stockholders' equity>					(Billions of yen)
Total assets	3,360.6	3,478.4	3,680.0	3,763.2	
Loans and bills discounted	40.0	40.0	0.7	0.4	
Securities	3,250.0	3,368.2	3,600.0	3,604.2	
Total liabilities	231.9	332.8	370.0	379.7	
Total stockholders' equity	3,172.7	3,319.6	3,345.1	3,935.4	
Capital stock	1,247.7	1,352.7	1,352.7	1,420.9	
Capital reserve	1,247.8	1,352.8	1,352.8	1,421.0	#1
Other capital surplus	499.5	499.5	499.5	684.4	
Earned surplus reserve	-	-	-	-	
Retained earnings*	178.7	384.5	410.1	413.5	
Treasury stock	(1.0)	(269.9)	(270.0)	(4.4)	#1
(Income)					(Billions of yen)
Ordinary profit	51.2	253.4	48.0	48.2	
Dividends on investments in subsidiaries and affiliates	47.3	251.7	46.4	46.4	
Expenses	3.0	2.6	2.8	3.2	
Personnel expenses	1.7	1.2	1.3	1.4	
Non-personnel expenses	1.3	1.4	1.4	1.6	
Extraordinary gains	-	-	25.0	27.6	
Extraordinary losses	-	-	-	-	
Income before income taxes	51.2	253.4	73.0	75.8	
Income taxes, current	0.0	(0.3)	3.0	0.0	
Income taxes, deferred	0.7	1.5		2.4	
Net income	50.5	252.2	70.0	73.4	
(Dividend)					(Billions of yen, yen, %)
Distributable profit	677.3	614.1	639.6	1,093.5	
Dividend (including interim dividend)	46.4	44.4	46.4	48.0	
Dividend of common stock	17.4	17.6	20.7	22.3	
Dividend of preferred stock <public funds>	14.5	12.7	12.7	12.7	
Dividend of preferred stock <others>	14.5	14.1	13.0	13.0	
Dividend per share (common stock) (yen)	3,000	3,000	3,000	3,000	
Dividend per share (Type 1 preferred stock) (yen)	10,500	10,500	10,500	10,500	
Dividend per share (Type 2 preferred stock) (yen)	28,500	28,500	28,500	28,500	
Dividend per share (Type 3 preferred stock) (yen)	13,700	13,700	13,700	13,700	
Dividend per share (Type 4 preferred stock 1st to 12th Series) (yen)	135,000	135,000	135,000	135,000	
Dividend per share (Type 4 preferred stock 13th Series) (yen)	67,500	67,500	-	-	
Dividend per share (Type 6 preferred stock 1st Series) (yen)	-	728	88,500	88,500	
Dividend rate (preferred stock <public funds>)	1.11	1.15	1.15	1.15	
Dividend rate (preferred stock <others>)	2.93	2.96	3.59	3.59	
Payout ratio	80.97	7.81	46.77	46.64	
(Financial indicators)					
ROE (Net income / Stockholders' equity <average balance>)	1.59	7.77	2.09	2.02	
ROA (Net income / Total assets <average balance>)	1.50	7.25	1.90	1.95	

*Retained earnings excluding Earned surplus reserve.

(Table 1-1) Trend and Plan of Income [Sumitomo Mitsui Banking Corporation (Non-consolidated)]

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual	
(Scale)<Average balance for Assets and Liabilities, term-end balance for Stockholders' equity>					(Billions of yen)
Total assets	94,506.6	96,029.8	92,600.0	98,447.2	
Loans and bills discounted	54,244.9	50,808.9	50,400.0	51,150.7	
Securities	23,815.1	23,703.0	23,400.0	22,163.1	
Trading assets	2,993.7	5,128.8	3,400.0	5,874.7	
Deferred tax assets <term-end balance>	1,590.5	1,502.2	1,330.0	976.2	
Total liabilities	92,362.4	93,844.9	89,800.0	96,176.6	
Deposits, NCD	62,553.4	65,227.6	66,500.0	67,640.9	
Bonds	-	-	-	-	
Trading liabilities	1,842.5	4,006.4	1,700.0	4,591.6	
Deferred tax liabilities <term-end balance>	-	-	-	-	
Deferred tax liabilities for Land revaluation <term-end balance>	55.5	90.0	50.0	49.4	
Total stockholders' equity	2,870.9	2,752.7	3,004.4	3,634.7	
Capital stock	560.0	665.0	665.0	665.0	
Capital reserve	879.7	1,009.9	665.0	665.0	
Other capital surplus	357.6	357.6	702.5	702.5	
Earned surplus reserve	-	-	-	-	
Retained earnings*1	676.1	291.3	624.9	794.0	
Land revaluation excess	81.1	42.3	24.0	24.7	
Net unrealized gains (losses) on other securities	316.4	386.6	323.0	783.5	#1
Treasury stock	-	-	-	-	
(Income)					(Billions of yen)
Gross banking profit	1,584.1	1,522.9	1,545.0	1,552.1	
Interest income	1,392.3	1,318.7	945.0	1,426.6	
Interest expenses	305.3	346.2		472.0	
Net fees and commissions	226.9	300.7	340.0	375.3	
Net trading income	280.7	131.6	125.0	12.0	#2
Net other operating income (loss)	(10.5)	118.1	135.0	210.2	
Gains (losses) on bonds	22.7	(21.6)	-	(10.3)	
Banking profit (before provision for general reserve for possible loan losses)	1,000.1	940.5	950.0	965.6	
Banking profit	1,000.1	1,292.0	950.0	810.6	
Provision for general reserve for possible loan losses	-	(351.5)	-	155.0	
Expenses	584.0	582.4	595.0	586.5	
Personnel expenses	221.3	204.1	206.0	192.3	
Non-personnel expenses	332.2	341.5	354.0	360.8	
Credit related costs*2	869.2	1,306.3	300.0	106.5	
Gains (losses) on stocks	103.9	(118.7)	(10.0)	25.5	#3
Losses on devaluation of stocks	10.7	227.6		31.2	
Ordinary profit (loss)	185.1	(71.7)	610.0	720.9	
Extraordinary gains*2	166.8	1.6	(10.0)	34.7	#4
Extraordinary losses	33.1	30.0		9.0	
Income taxes, current	12.7	(1.8)	250.0	13.5	
Income taxes, deferred	5.0	38.5		213.6	
Net income (loss)	301.1	(136.8)	350.0	519.5	#5
(Dividend)					(Billions of yen)
Distributable profit	793.0	442.4	1,120.9	1,386.1	
Dividend (including interim dividend)					
Dividend of common stock					
Dividend of preferred stock <public funds>					
Dividend of preferred stock <others>					
Dividend per share (common stock) (yen)					
Dividend rate (preferred stock <public funds>)					
Dividend rate (preferred stock <others>)					
Payout ratio					

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual	
(Financial indicator) (%)					
Yield on interest earning assets (A)	1.71	1.66	1.66	1.80	#6
Interest earned on loans (B)	1.79	1.85	1.82	1.95	
Interest earned on securities	1.04	1.10	1.17	1.43	
Total cost of funding (including expenses) (C)	1.07	1.12	1.17	1.27	
Interest paid on deposits (including NCD) (D)	0.14	0.16	0.19	0.34	#6
Expense ratio (E)	0.93	0.89	0.89	0.86	
Personnel expense ratio	0.35	0.31	0.30	0.28	
Non-personnel expense ratio	0.52	0.52	0.53	0.53	
Overall interest spread (A) - (C)	0.64	0.53	0.49	0.53	
Interest spread (B) - (D) - (E)	0.72	0.79	0.74	0.73	
Non-interest income ratio	14.32	19.74	22.00	24.18	
OHR (Expenses / Gross banking profit)	36.86	38.24	38.51	37.78	
ROE*3	38.83	33.44	33.00	30.23	#7
ROA*4	1.12	1.04	1.09	1.04	
Modified core banking profit ROA*5	1.08	1.03		1.03	

*1 Figures are sum of Voluntary reserves and Unappropriated retained earnings.

*2 For FY03, Extraordinary gains include JPY 65.8 billion of Reversal of loan loss reserves and Reversal of reserve for losses on loans sold.

Accordingly, Total credit cost for FY03 (Credit related costs + Reversal of loan loss reserves + Reversal of reserve for losses on loans sold) was JPY 803.4 billion.

*3 Banking profit before provision for general reserve for possible loan losses / Stockholders' equity <average balance>

*4 Banking profit (before provision for general reserve for possible loan losses) /

(Total assets - Customers' liabilities for acceptances and guarantees) <average balance>

*5 [Banking profit (before provision for general reserve for possible loan losses) - Gains (losses) on bonds - Dividend income from subsidiaries, etc.] / (Total assets - Customers' liabilities for acceptances and guarantees) <average balance>

(Reference) Trend and Plan of Income [Sumitomo Mitsui Banking Corporation + Sumitomo Mitsui Card Company, Ltd.
+ SMBC Leasing Company, Ltd. + The Japan Research Institute, Ltd.]

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual
(Scale)<Average balance for Assets and Liabilities, term-end balance for Stockholders' equity>				(Billions of yen)
Total assets	96,902.8	98,520.0	95,200.0	101,057.8
Total liabilities	94,488.6	96,040.2	92,040.0	98,448.6
Total stockholders' equity	3,148.5	3,065.0	3,393.2	3,999.8
Capital stock	662.6	767.6	791.6	791.6
Capital reserve	961.2	1,091.4	770.4	770.4
Other capital surplus	399.0	399.0	743.9	702.5
Earned surplus reserve	1.0	1.0	1.0	1.0
Retained earnings*1	718.2	364.7	727.3	896.0
Land revaluation excess	81.1	42.3	24.0	24.7
Net unrealized gains (losses) on other securities	325.3	399.0	335.0	813.5
Treasury stock	-	-	-	-
(Income)				(Billions of yen)
Total net business profits*2	1,049.6	998.0	1,012.6	1,028.9
Ordinary profit (loss)	225.9	(22.1)	666.8	780.5
Extraordinary gains (losses)	134.4	(23.2)	(10.8)	30.0
Income taxes, current	36.2	57.8	273.0	251.9
Income taxes, deferred				
Net income (loss)	324.2	(103.1)	383.0	558.7
(Dividend)				(Billions of yen, %)
Distributable profit*3	1,553.8	1,171.4	1,869.8	2,563.3
Payout ratio (for Common stock of the holding company)	5.89	-	5.79	4.18
(Financial indicator)				(%)
ROE (Total net business profits / Stockholders' equity <average balance>)	36.74	32.12	31.35	29.13
ROA (Total net business profits / Total assets <average balance>)	1.08	1.01	1.06	1.02

*1 Retained earnings excluding Earned surplus reserve.

*2 Figures are sum of Banking profit of Sumitomo Mitsui Banking Corporation and Operating profit of other three companies.

*3 Includes distributable profit of the holding company. Distributable profits of Sumitomo Mitsui Card Company, Ltd. are included in the figures according to the ownership ratio.

(Reference) Retained Earnings [Sumitomo Mitsui Financial Group, Inc. + Sumitomo Mitsui Banking Corporation
+ Sumitomo Mitsui Card Company, Ltd. + SMBC Leasing Company, Ltd. + The Japan Research Institute, Ltd.]

	FY04 Actual	FY05 Plan	FY05 Actual
Retained earnings*	1,648.8	2,347.2	2,678.8
Other capital surplus	898.5	1,229.3	1,386.9

* Sum of Retained earnings of Sumitomo Mitsui Financial Group, Inc., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Card Company, Ltd., SMBC Leasing Company, Ltd., and The Japan Research Institute, Ltd. (Retained earnings of Sumitomo Mitsui Card Company, Ltd. are included in the figures according to the ownership ratio)

(Table 1-2) Trend of Income [Sumitomo Mitsui Financial Group (Consolidated)]

	FY04 Actual	FY05 Actual	FY06 Forecast
(Scale)<term-end balance>			(Billions of yen)
Total assets	99,731.9	107,010.6	
Loans and bills discounted	54,799.8	57,267.2	
Securities	24,233.7	25,505.9	
Trading assets	3,769.1	4,078.0	
Deferred tax assets	1,598.2	1,051.6	
Total liabilities	95,934.9	101,443.2	
Deposits, NCD	71,188.1	73,542.8	
Bonds	-	-	
Trading liabilities	2,110.5	2,908.2	
Deferred tax liabilities	45.3	49.5	
Deferred tax liabilities for land revaluation	91.0	50.1	
Minority interests	1,021.2	1,113.0	
Total stockholders' equity	2,775.7	4,454.4	
Capital stock	1,352.7	1,420.9	
Capital surplus	974.3	1,229.2	
Retained earnings	330.0	992.1	
Land revaluation excess	57.9	38.2	
Net unrealized gains (losses) on other securities	410.7	819.9	
Foreign currency translation adjustments	(79.9)	(41.5)	
Treasury stock	(269.9)	(4.4)	
(Income)			(Billions of yen)
Ordinary income	3,580.8	3,705.1	3,700.0
Interest income	1,521.7	1,662.6	
Fees and commissions	598.7	712.6	
Trading profits	144.6	32.8	
Other operating income	1,058.3	1,144.1	
Other income	257.5	153.0	
Ordinary expenses	3,611.1	2,741.6	
Interest expenses	350.4	501.0	
Fees and commissions	80.0	84.3	
Trading losses	0.2	-	
Other operating expenses	867.7	876.6	
General and administrative expenses	852.7	853.8	
Other expenses	1,460.1	425.8	
Write-off of loans	759.4	61.1	
Transfer to reserve for possible loan losses	288.9	163.5	
Transfer to general reserve for possible loan losses	(201.2)	120.1	
Transfer to specific reserve for possible loan losses	493.9	45.0	
Ordinary profit	(30.3)	963.6	1,010.0
Extraordinary gains	9.1	98.0	
Extraordinary losses	87.3	18.1	
Income before income taxes	(108.5)	1,043.4	
Income taxes, current	21.8	69.8	
Income taxes, deferred	52.9	226.9	
Minority interests in net income	51.0	59.8	
Net income	(234.2)	686.8	570.0

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Financial Group (Consolidated)>

(Billions of yen)

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual	
Capital stock	1,247.7	1,352.7	1,352.7	1,420.9	
Noncumulative perpetual preferred stock	-	-	-	-	
Capital surplus	865.3	974.3	974.3	1,229.2	
Retained earnings*2	564.8	285.6	717.2	944.1	
Minority interests in consolidated subsidiaries	990.4	1,012.9	1,059.4	1,104.2	
Preferred securities	814.0	816.9	812.7	835.2	
Net unrealized losses on other securities	-	-	-	-	
Treasury stock	(3.0)	(269.9)	(270.0)	(4.4)	
Foreign currency translation adjustments	(71.8)	(79.9)	(76.0)	(41.5)	
Goodwill	(0.1)	(0.1)	(0.1)	(0.1)	
Consolidated adjustment account	(21.7)	(13.4)	(6.5)	(6.6)	
Others	-	-	-	-	
Total Tier I	3,571.6	3,262.3	3,751.0	4,645.9	
<Tax effect>	<1,666.4>	<1,552.9>	<1,380.0>	<1,002.1>	
Unrealized gains on securities	249.4	317.1	269.0	627.8	
Land revaluation excess	68.5	67.1	41.0	39.9	
General reserve for possible loan losses	740.1	633.5	633.5	742.6	
Perpetual subordinated debts	755.6	880.0	987.3	1,035.8	
Others	-	-	-	-	
Total upper Tier II	1,813.6	1,897.6	1,930.8	2,446.1	
Dated subordinated debts, preferred stock	1,603.0	1,657.3	1,616.2	1,621.6	
Others	-	-	-	-	
Total lower Tier II	1,603.0	1,657.3	1,616.2	1,621.6	
Total Tier II	3,416.5	3,555.0	3,547.0	4,067.7	
<Amounts counted as qualifying capital>	<3,416.5>	<3,262.3>	<3,547.0>	<4,067.7>	
Tier III	-	-	-	-	
Deductions	(250.8)	(504.4)	(584.0)	(619.3)	
Total capital	6,737.4	6,020.1	6,714.0	8,094.4	

(Billions of yen)

Risk-adjusted assets	59,204.1	60,552.6	62,700.0	65,322.3	
On-balance-sheet items	54,649.9	54,897.9	57,050.0	58,984.8	
Off-balance-sheet items	4,283.3	5,300.9	5,300.0	5,952.3	
Others*3	270.8	353.9	350.0	385.2	

(%)

Capital ratio	11.37	9.94	10.70	12.39	
Tier I ratio	6.03	5.38	5.98	7.11	

*1 Assumptions on yen / dollar exchange rate for FY05: \$1=105.00 yen.

*2 Expected payouts excluded.

*3 Figures equivalent to market risk divided by 8%.

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Banking Corporation (Consolidated)>

(Billions of yen)

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual	
Capital stock	560.0	665.0	665.0	665.0	
Noncumulative perpetual preferred stock	-	-	-	-	
Capital surplus	1,298.5	1,603.5	1,603.5	1,603.5	
Retained earnings*2	319.3	(6.3)	337.3	242.5	
Minority interests in consolidated subsidiaries	1,005.8	1,026.1	1,029.1	1,074.9	
Preferred securities	814.0	816.9	812.7	835.2	
Net unrealized losses on other securities	-	-	-	-	
Treasury stock	-	-	-	-	
Foreign currency translation adjustments	(71.9)	(81.1)	(78.0)	(44.6)	
Goodwill	-	(0.0)	-	(0.0)	
Consolidated adjustment account	-	-	-	-	
Others	-	-	-	-	
Total Tier I	3,111.8	3,207.3	3,557.0	3,541.4	
<Tax effect>	<1,607.1>	<1,505.1>	<1,330.0>	<968.9>	
Unrealized gains on securities	245.5	305.4	257.0	605.8	
Land revaluation excess	68.5	67.1	41.0	39.9	
General reserve for possible loan losses	711.1	612.0	612.0	722.1	
Perpetual subordinated debts	755.6	880.0	987.3	1,035.8	
Others	-	-	-	-	
Total upper Tier II	1,780.8	1,864.5	1,897.3	2,403.7	
Dated subordinated debts, preferred stock	1,603.0	1,657.3	1,616.2	1,621.6	
Others	-	-	-	-	
Total lower Tier II	1,603.0	1,657.3	1,616.2	1,621.6	
Total Tier II	3,383.7	3,521.8	3,513.5	4,025.3	
<Amounts counted as qualifying capital>	<3,111.8>	<3,207.3>	<3,513.5>	<3,541.4>	
Tier III	-	-	-	-	
Deductions	(24.6)	(238.9)	(295.0)	(308.2)	
Total capital	6,199.0	6,175.6	6,775.5	6,774.6	

(Billions of yen)

Risk-adjusted assets	56,891.8	58,244.5	60,400.0	62,887.4	
On-balance-sheet items	52,359.3	52,589.5	54,750.0	56,513.8	
Off-balance-sheet items	4,264.3	5,303.1	5,300.0	5,990.3	
Others*3	268.2	352.0	350.0	383.3	

(%)

Capital ratio	10.89	10.60	11.21	10.77	
Tier I ratio	5.46	5.50	5.88	5.63	

*1 Assumptions on yen / dollar exchange rate for FY05: \$1=105.00 yen.

*2 Retained earnings minus expected payouts.

*3 Figures equivalent to market risk divided by 8%.

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual	
Capital stock	560.0	665.0	665.0	665.0	
Noncumulative perpetual preferred stock	-	-	-	-	
Capital reserve	879.7	1,009.9	665.0	665.0	
Other capital surplus	357.6	357.6	702.5	702.5	
Earned surplus reserve	-	-	-	-	
Voluntary reserves*2	221.5	221.5	221.5	221.5	
Profit brought forward to next year*3	253.1	68.5	402.1	271.4	
Others*4	764.5	784.3	818.9	840.8	
Preferred securities	759.1	776.7	812.7	835.2	
Net unrealized losses on other securities	-	-	-	-	
Treasury stock	-	-	-	-	
Goodwill	-	-	-	-	
Total Tier I	3,036.4	3,106.8	3,475.0	3,366.2	
<Tax effect>	<1,590.5>	<1,502.2>	<1,330.0>	<976.2>	
Unrealized gains on securities	239.8	293.0	245.0	593.9	
Land revaluation excess	61.5	59.6	33.5	33.3	
General reserve for possible loan losses	661.7	417.6	417.5	572.5	
Perpetual subordinated debts	755.6	880.0	987.3	1,028.8	
Others	-	-	-	-	
Total upper Tier II	1,718.7	1,650.1	1,683.3	2,228.5	
Dated subordinated debts, preferred stock	1,565.6	1,618.3	1,577.2	1,576.6	
Others	-	-	-	-	
Total lower Tier II	1,565.6	1,618.3	1,577.2	1,576.6	
Total Tier II	3,284.2	3,268.4	3,260.5	3,805.1	
<Amounts counted as qualifying capital>	<3,036.4>	<3,106.8>	<3,260.5>	<3,366.2>	
Tier III	-	-	-	-	
Deductions	(55.7)	(95.6)	(156.0)	(95.7)	
Total capital	6,017.2	6,118.0	6,579.5	6,636.7	

(Billions of yen)

Risk-adjusted assets	52,939.7	54,034.5	56,100.0	58,463.4	
On-balance-sheet items	48,816.7	48,910.7	51,000.0	52,482.8	
Off-balance-sheet items	3,925.4	4,818.9	4,800.0	5,677.0	
Others*5	197.6	304.9	300.0	303.7	

(%)

Capital ratio	11.36	11.32	11.72	11.35	
Tier I ratio	5.73	5.74	6.19	5.75	

*1 Assumptions on yen / dollar exchange rate for FY05: \$1=105.00 yen.

*2 Excluding profits to be appropriated.

*3 Unappropriated retained earnings minus expected payouts.

*4 Minority interests in consolidated subsidiaries and Foreign currency translation adjustments.

*5 Figures equivalent to market risk divided by 8%.

(Table 5) Earnings by Business Unit

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Actual	FY06 Forecast
Net interest income	271.5	283.8	297.0
Fees and commissions + Foreign exchange	86.0	118.8	117.0
Consumer Banking Unit	357.5	402.6	414.0
Net interest income	323.6	351.0	349.0
Fees and commissions + Foreign exchange	330.6	322.1	301.0
Middle Market Banking Unit	654.2	673.1	650.0
Net interest income	97.0	108.1	95.0
Fees and commissions + Foreign exchange	89.8	86.5	100.0
Corporate Banking Unit	186.8	194.6	195.0
Marketing business	82.0	106.2	106.0
Treasury business	1.6	2.1	2.0
International Banking Unit	84.4	106.8	107.0
Net interest income	10.5	-	-
Fees and commissions + Foreign exchange	1.4	-	-
Community Banking Unit	11.9	-	-
Treasury Unit	222.8	219.8	220.0
Headquarters	5.3	(44.8)	(46.0)
Gross banking profit	1,522.9	1,552.1	1,540.0
Expenses	(582.4)	(586.5)	(600.0)
Banking profit (before provision for general reserve for possible loan losses)	940.5	965.6	940.0

(Note) FY04 result of Headquarters include result of Asset Restructuring Unit.

FY05 result and FY06 forecast reflect reorganization in April 2005 (dissolution of Community Banking Unit and Asset Restructuring Unit)

(Table 6) Restructuring Plan [Sumitomo Mitsui Financial Group + Sumitomo Mitsui Banking Corporation]

	Mar. 31, '04 Actual	Mar. 31, '05 Actual	Mar. 31, '06 Plan	Mar. 31, '06 Actual	
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(Number of employees and directors)

Directors	24	25	23	22	
Board of directors*1	17(2)	18(2)	15(2)	15(2)	
Corporate auditors*1	7(3)	7(3)	8(4)	7(3)	
Employees*2	22,348	21,020	20,900	20,322	

*1 Figures in the brackets indicate the number of part-timer.

*2 Registered employees, excluding executive officers, contract employees and temporary recruited.

(Number of offices)

Domestic branches*1	435	425	415	411	
Overseas branches*2	20	17	19	15	
(Reference) Overseas subsidiaries*3	25	27	28	27	

*1 Excluding sub-branches, agencies, specialized branches for receiving money transfers, specialized branches for controlling ATMs in convenience stores and International Business Operations Department.

*2 Excluding sub-branches and representative offices.

*3 Excluding overseas subsidiaries with ownership of 50% or less.

	FY03 Actual	FY04 Actual	FY05 Plan	FY05 Actual	
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(Personnel expenses)

Personnel expenses (Millions of yen)	222,969	205,305	207,300	193,672	
Salary and remuneration (Millions of yen)	172,562	165,878	166,100	159,864	
Average monthly salary (Thousands of yen)	496	494	494	492	

(Note) Average age of the employees: 39.0 (as of March 31, '06)

(Remuneration and bonus for directors)

(Millions of yen)

Remuneration and bonus for directors*1	512	552	490	463	
Remuneration	512	552	490	463	
Bonus	0	0	0	0	
Average remuneration and bonus for full-time directors	25	25	25	25	
Average retirement allowances for directors	(*2) 43	33	73	72	

*1 Sum of personnel expenses and profit appropriation, including rewards for executive officers in case concurrently appointed.

*2 Excluding the former Wakashio Bank.

(Non-personnel expenses)

(Millions of yen)

Non-personnel expenses*1	328,764	339,149	349,900	356,203	#1
System related cost*2	76,929	79,536	82,000	79,504	
Other than system related cost	251,835	259,613	267,900	276,699	#1

*1 Excluding management guidance fee paid to the holding company by the subsidiary bank.

*2 Including leasing expenses and related costs.

(Personnel expenses + Non-personnel expenses)

(Millions of yen)

Personnel expenses + Non-personnel expenses	551,733	544,454	557,200	549,875	
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(Table 7) Domestic Subsidiaries and Affiliates (*1)

(Billions of yen)

Company Name	Main Business	(*2) Latest Fiscal Term	Total Asset	(*3) Total Borrowing	(*4,*5)		Stockholder's Equity	(*5)		Operating Profit	Net Income	(*6) Consolidated / Equity Method
					SMFG, SMBC portion			SMFG, SMBC portion				
[Sumitomo Mitsui Financial Group]												
Sumitomo Mitsui Card Company Limited	Credit card services	Mar. '06	956.2	361.1	19.6		144.1	85.3		28.5	17.7	Consolidated
SMBC Leasing Company, Limited	Leasing	Mar. '06	1,805.2	1,306.6	127.5		179.7	143.4		27.2	17.6	Consolidated
The Japan Research Institute, Limited	Economic research, system engineering, data processing and management consulting	Mar. '06	91.8	15.3	12.1		41.3	20.0		7.4	3.9	Consolidated
SMFG Corporate Recovery Servicer Co., Ltd.	Corporate recovery consulting and servicer	Mar. '06	1.1	-	-		0.9	0.4		0.3	0.2	Consolidated
Daiwa Securities SMBC Co. Ltd.	Securities and derivatives	Mar. '06	10,765.2	5,158.7	153.0		465.7	163.2		116.2	68.6	Equity Method
Daiwa SB Investments Ltd.	Investment advisory and investment trust management	Mar. '06	20.2	-	-		12.2	8.0		4.6	2.8	Equity Method
[Sumitomo Mitsui Banking Corporation]												
THE MINATO BANK, LTD.	Banking	Mar. '06	2,730.7	60.2	37.0		88.6	4.8		9.6	4.7	Consolidated
Kansai Urban Banking Corporation	Banking	Mar. '06	2,627.3	220.6	24.3		89.3	37.1		15.6	8.7	Consolidated
The Kangin Lease Company, Limited	Leasing	Mar. '06	30.3	23.4	14.8		4.7	-		0.5	0.6	Consolidated
The Japan Net Bank, Limited	Banking	Mar. '06	325.8	55.5	-		4.8	11.4		(0.6)	(0.0)	Consolidated
SMBC Guarantee Co., Ltd.	Credit guarantee	Mar. '06	9,445.4	-	-		133.6	-		18.4	18.4	Consolidated
SAKURA CARD CO., Ltd.	Credit card services	Mar. '06	185.5	34.3	15.5		17.8	12.2		2.6	1.6	Consolidated
SMBC Consulting Co., Ltd.	Management consulting and information service	Mar. '06	5.3	-	-		3.0	1.8		0.9	0.5	Consolidated
SMBC Finance Service Co., Ltd.	Factoring, loans and collecting agent	Mar. '06	578.3	196.8	194.1		82.3	-		10.4	8.7	Consolidated
YOTSUYA KANRI KABUSHIKI-KAISHA (former SMBC Mortgage Co., Ltd.)	(In the process of liquidation)	Mar. '06	5.6	47.0	47.0		(41.5)	0		5.2	5.6	Consolidated
Financial Link Company, Limited	Data processing service and consulting	Mar. '06	0.9	-	-		0.8	-		0.7	0.7	Consolidated
SMBC Friend Securities Co., Ltd.	Securities	Mar. '06	291.3	-	-		141.7	40.8		31.5	18.5	Consolidated
Sakura KCS Corporation	System engineering and data processing	Mar. '06	17.2	0.1	0.1		11.5	1.8		0.9	(1.7)	Consolidated
Sakura Information Systems Co., Ltd.	System engineering and data processing	Mar. '06	13.9	0.7	0.7		8.5	2.2		0.8	0.8	Consolidated
Global Factoring Co., Ltd.	Factoring	Mar. '06	442.3	343.3	343.3		(0.0)	-		(0.1)	(0.1)	Consolidated
Promise Co., Ltd.	Consumer finance	Mar. '06	1,598.3	763.6	61.7		754.7	196.8		67.7	41.0	Equity Method
At-Loan Co., Ltd.	Consumer loans	Mar. '06	136.9	104.0	104.0		13.0	26.7		(4.9)	(9.2)	Equity Method
QUOQLOAN INC.	Consumer finance	Mar. '06	122.3	77.8	1.8		37.8	-		4.5	2.4	Equity Method
NIF SMBC Ventures Co. Ltd.	Venture capital	Mar. '06	76.0	34.7	14.7		37.5	26.8		6.8	6.7	Equity Method
Sumitomo Mitsui Asset Management Company, Limited	Investment advisory and investment trust management	Mar. '06	27.2	-	-		18.3	3.4		5.0	3.1	Equity Method
Japan Pension Navigator Co., Ltd.	Operational management of defined contribution pension plans	Mar. '06	1.0	-	-		0.8	0.4		(0.2)	(0.5)	Equity Method
QUOQ Inc.	Shopping credit and credit card business	Mar. '06	934.1	485.9	89.6		48.8	2.9		6.3	2.5	Equity Method
[SMBC Leasing Company, Limited]												
SMBC Auto Leasing Company, Limited	Leasing	Mar. '06	250.0	200.8	13.2		14.1	-		3.6	1.8	Consolidated
Mazda Auto Leasing Company, Limited	Leasing	Mar. '06	18.7	14.6	2.5		2.4	-		0.6	0.4	Consolidated
Space Service LLC.	Leasing	Mar. '06	5.0	3.9	2.8		0.0	-		0.0	0.0	Consolidated
SBL Partners LLC.	Factoring	Dec. '05	16.9	16.2	16.2		0.0	-		0.0	(0.0)	Consolidated
HOKKOKU GENERAL LEASING Co., Ltd.	Leasing	Mar. '06	40.5	33.7	0.8		3.5	0.1		0.7	0.5	Equity Method
The San-in General Lease Company Limited	Leasing	Mar. '06	46.3	33.7	2.5		6.1	0.2		1.0	0.6	Equity Method
Miegin General Leasing Co.Ltd.	Leasing	Mar. '06	12.8	10.3	0.4		1.7	0.1		0.2	0.1	Equity Method
[Daiwa Securities SMBC Co. Ltd.]												
Daiwa Securities SMBC Principal Investments Co. Ltd.	Investments	Mar. '06	332.3	286.7	25.0		33.1	-		15.1	9.0	Equity Method

(Table 7) Overseas Subsidiaries and Affiliates (*1)

(Millions of local currency, except Indonesia (in Billions))

Company Name	Main Business	Currency	(*2) Latest Fiscal Term	Total Asset	(*3) Total Borrowing	(*4, *5)		Stockholder's Equity	(*5)		Net Income	(*6) Consolidated / Equity Method
						SMFG, SMBC portion	SMFG, SMBC portion		Operating Profit	Operating Profit		
[Sumitomo Mitsui Banking Corporation]												
Sumitomo Mitsui Banking Corporation Europe Limited	Banking	US\$	Mar. '06	13,471	813	2,550	1,782	1,700	97	70	Consolidated	
Manufacturers Bank	Commercial banking	US\$	Dec. '05	1,686	196	1	227	283	23	18	Consolidated	
Sumitomo Mitsui Banking Corporation of Canada	Commercial banking	CAN\$	Jan. '06	1,787	71	71	164	122	14	9	Consolidated	
Banco Sumitomo Mitsui Brasileiro S.A.	Commercial banking	R\$	Dec. '05	741	90	47	265	302	(39)	(39)	Consolidated	
PT Bank Sumitomo Mitsui Indonesia	Banking	RPIAH	Dec. '05	6,056	737	2,184	1,262	982	237	157	Consolidated	
SMBC Leasing and Finance, Inc.	Leasing	US\$	Dec. '05	1,502	199	279	730	690	43	8	Consolidated	
SMBC Capital Markets, Inc.	Investment and derivatives	US\$	Dec. '05	3,875	123	1,398	919	609	36	40	Consolidated	
SMBC Capital Markets Limited	Investment and derivatives	US\$	Dec. '05	2,047	103	309	361	300	21	16	Consolidated	
Sumitomo Mitsui Finance Australia Limited	Investments	A\$	Mar. '06	3,216	2,493	2,786	182	159	28	19	Consolidated	
SMBC Securities, Inc.	Securities	US\$	Dec. '05	173	125	25	46	40	7	4	Consolidated	
SMBC MVI SPC	Investments	US\$	Mar. '06	434	376	376	50	45	6	6	Consolidated	
SMBC DIP Limited	Investments	US\$	Mar. '06	30	15	32	1	1	0	0	Consolidated	
Sakura Finance (Cayman) Limited	Finance	US\$	Dec. '05	345	344	346	0	0	0	0	Consolidated	
SMBC International Finance N.V.	Finance	US\$	Dec. '05	1,873	1,856	1,680	1	0	(0)	(0)	Consolidated	
BSL Leasing Co., Ltd.	Leasing	TBAH	Dec. '05	3,353	2,725	265	256	6	57	40	Equity Method	
SBCS Company Limited	Investments and consulting	TBAH	Dec. '05	524	250	250	266	14	74	44	Equity Method	
PROMISE (HONG KONG) CO., LIMITED	Consumer finance	HK\$	Dec. '05	1,398	530	100	840	-	326	271	Equity Method	
[SMBC Leasing Company, Limited]												
SMBC Leasing (Singapore) Pte. Ltd.	Leasing	S\$	Dec. '05	175	160	110	4	-	1	0	Consolidated	
SMBC Leasing (Hong Kong) Limited	Leasing	HK\$	Dec. '05	561	490	356	57	-	2	2	Consolidated	
SMBC Leasing (Guangzhou) Co., Ltd.	Leasing	RMB	Dec. '05	286	122	122	160	-	4	4	Consolidated	
SMBC Leasing (Thailand) Co., Ltd.	Leasing	TBAH	Dec. '05	4,485	2,494	2,211	213	-	52	35	Consolidated	
SMBC Leasing (Malaysia) Sdn. Bhd.	Leasing	RM	Dec. '05	133	110	60	9	-	2	2	Consolidated	
SMBC Hire Purchase (Malaysia) Sdn. Bhd.	Leasing	RM	Mar. '06	0	-	39	-	-	0	0	Consolidated	
P.T. EXIM SB Leasing	Leasing	RPIAH	Dec. '05	24	180	111	(162)	0	(13)	(13)	Consolidated	
[Daiwa Securities SMBC Co. Ltd.]												
Daiwa Securities SMBC Hong Kong Limited	Securities	US\$	Mar. '06	675	25	20	100	-	18	18	Equity Method	
Daiwa Securities SMBC-Cathay Co., Ltd.	Securities	NT\$	Mar. '06	3,532	200	200	2,866	-	232	229	Equity Method	

(*1) Only the subsidiaries and affiliates which borrowed over one hundred million yen (including guarantees) from Sumitomo Mitsui Financial Group (SMFG) or Sumitomo Mitsui Banking Corporation (SMBC) are indicated in the table.

Financial data of foreign subsidiaries and affiliates are denoted by local currency (in millions, except Indonesia (in billions)).

(*2) Consolidated (provisional) accounting date of latest fiscal term

(*3) Including bonds and commercial papers.

(*4) SMFG, SMBC portion in total borrowing include guarantees.

(*5) Combined figures of SMFG and SMBC.

(*6) Based on SMFG's consolidated financial results.

(*7) For the companies reporting Operating losses, Net losses or Loss carried forward, projection of income and position in the group strategy of SMFG and SMBC are described in the next page.

(*8) <Scope of consolidation>

[Consolidated subsidiaries]

1. From this fiscal year, twenty companies including The Japan Research Institute (Shanghai) Solution Co., Ltd were newly consolidated due to establishment and other reason.
2. From this fiscal year, thirteen companies including WAKASHIO OFFICE SERVICE CO., Ltd. were excluded from the scope of consolidation because they were no longer subsidiaries due to liquidation and other reason.
3. From this fiscal year, twelve companies including SMLC CENTAURUS CO., LTD. became unconsolidated subsidiaries that are not accounted for by the equity method because they became silent partnerships for lease transactions.

[Companies accounted for by the equity method]

1. From this fiscal year, SBL Holdings Limited was excluded from the scope of unconsolidated subsidiaries accounted for by the equity method because it was no longer a subsidiary due to liquidation.
2. From this fiscal year, fifteen companies including former NIF Ventures Co., Ltd. (current company name: NIF SMBC Ventures Co. Ltd.) newly became affiliated companies accounted for by the equity method due to acquisition of shares or other reasons.
3. From this fiscal year, four companies including P.T. Perjahl Leasing Indonesia were excluded from the scope of affiliated companies accounted for by the equity method due to sale of shares or other reasons.

Details of (*7)

Company name	Earnings projections	Strategic position within the Group
The Japan Net Bank, Limited	Targeting to be in the black in the fiscal year ending Mar. 2007.	Internet specialized bank
SMBC Guarantee Co., Ltd.	Turned to be in the black in the fiscal year ended Mar. 2006 and is expected to secure positive bottom line thereafter.	SMBC's housing loan guarantee subsidiary
YOTSUYA KANRI KABUSHIKI-KAISHA (former SMBC Mortgage Co., Ltd.)	In the process of liquidation.	-
Sakura KCS Corporation	Expected to be in the black in the fiscal year ending Mar. 2007.	System engineering and data processing business
Global Factoring Co., Ltd.	Expected to be in the black in the fiscal year ending Mar. 2007.	Factoring business
At-Loan Co., Ltd.	Targeting to balance revenue and expenses in the fiscal year ending Mar. 2007.	Loan company specialized in consumer loans
Japan Pension Navigator Co., Ltd.	Financial condition is recovering thanks to rapid growth in the defined contribution pension plan market. However, it will take some time to move into the black.	Core company in defined contribution pension plan business
Space Service LLC.	Expected to be in the black in fiscal year ending Sep. 2006. As a result, operating loss carryforwards are expected to be offset.	SPC of SMBC Leasing Company
SBL Partners LLC.	Expected to be in the black in the fiscal year ending Dec. 2006.	SPC of SMBC Leasing Company
Banco Sumitomo Mitsui Brasileiro S.A.	Targeting to record ordinary profit in the fiscal year ending Dec. 2006.	SMBC's subsidiary engaged in lending to multinational companies (including Japanese, global companies) as the only marketing channel of SMBC in Middle America and South America.
SMBC International Finance N.V.	Revenue and expenses are expected to be balanced.	Established to enhance capital adequacy of SMBC. Issuing company of SMBC's subordinated guaranteed bonds.
SMBC Leasing (Singapore) Pte. Ltd.	Expected to secure positive bottom line in the fiscal year ending Dec. 2006.	Overseas subsidiary of SMBC Leasing Company
SMBC Leasing (Hong Kong) Limited	Expected to secure positive bottom line in the fiscal year ending Dec. 2006.	Overseas subsidiary of SMBC Leasing Company
SMBC Leasing (Guangzhou) Co., Ltd.	Expected to secure positive bottom line in the fiscal year ending Dec. 2006.	Overseas subsidiary of SMBC Leasing Company
P.T.EXIM SB Leasing	In the process of liquidation.	Overseas subsidiary of SMBC Leasing Company

(Table 10) Loans and Bills Discounted [Sumitomo Mitsui Banking Corporation (Non-consolidated)]

(Balance) (Billions of yen)

		Mar. 31, '05 Actual (A)	Mar. 31, '06 Plan (B)	Mar. 31, '06 Actual (C)	Mar. 31, '07 Plan (D)
Domestic	including Impact loans	46,827.8	47,727.8	47,553.4	47,353.4
	excluding Impact loans	46,222.4	47,122.4	46,886.5	46,686.5
Small- and medium-sized enterprises*	including Impact loans	17,296.3	17,046.3	16,500.3	16,170.3
	excluding Impact loans	17,054.4	16,804.4	16,189.3	15,859.3
	Loans with guarantee of credit guarantee corporation	1,479.5	1,279.5	1,356.8	1,256.8
	Individuals (excluding business loans)	13,647.5	14,347.5	14,244.6	14,544.6
	Housing loans	12,363.8	13,063.8	13,014.0	13,314.0
	Others	15,884.0	16,334.0	16,808.5	16,638.5
Overseas		3,239.8	3,339.8	4,304.2	4,354.2
Total		50,067.6	51,067.6	51,857.6	51,707.6

* Small and Medium-sized enterprises = Loans to following enterprises excluding subsidiaries and affiliates

- Wholesaling enterprise whose capital is JPY 100 million or less or number of employees is 100 or less
- Services enterprise whose capital is JPY 50 million or less or number of employees is 100 or less
- Retailing and catering enterprise whose capital is JPY 50 million or less or number of employees is 50 or less
- Other enterprise whose capital is JPY 300 million or less or number of employees is 300 or less
- Unincorporated enterprise

(Increase / decrease of balance considering the factors shown below)

(Billions of yen)

		FY06 Plan (B)-(A)+(a)	FY06 Actual (C)-(A)+(b)	FY07 Plan (D)-(C)+(c)
Domestic	including Impact loans	1,500.0	3,189.0	250.0
	excluding Impact loans	1,500.0	3,127.5	250.0
Small- and medium-sized enterprises	including Impact loans	50.0	694.1	10.0
	excluding Impact loans	50.0	625.0	10.0

(Decreasing factors to be considered)

(Billions of yen)

	FY05 Plan (a)		FY05 Actual (b)		FY06 Plan (c)	
		Small and medium-sized enterprises		Small and medium-sized enterprises		Small and medium-sized enterprises
Loan losses			1,186.5	728.7		
Direct write-offs*1			236.3	11.6		
Direct reduction*2			79.8	53.8		
Sales of loans to RCC*3			0.0	0.0		
Sales of problem assets to others			530.1	452.8		
Others*4			340.3	210.5		
Sales and securitization of loans*5			354.5	71.4		
Private placement of bonds, etc.*6			922.4	690.0		
Subsidiaries etc.*7			0.0	0.0		
Total	600.0	300.0	2,463.4	1,490.1	450.0	340.0

(Note) "Impact loans" are not included in the table above.

- *1 Direct write-offs which are allowed to be tax deductible.
- *2 Direct reduction in this fiscal term.
- *3 Sales of loans to the specific bank defined in Article 53 of Financial Reconstruction Law.
- *4 Decrease through other measures of disposing non-performing loans
- *5 Mainly sales and securitization of normal loans.
- *6 Amount of credits that are virtually equivalent to loans, such as private placement of bonds, etc.
- *7 Loans to consolidated subsidiaries and affiliates under equity method which contribute to encouraging smooth provision of credit to small and medium-sized enterprises.

(Table 13) Problem Assets Based on the Financial Reconstruction Law

(Billions of yen)

	Mar. 31, '05 Actual Non-consolidated	Mar. 31, '05 Actual Consolidated	Mar. 31, '06 Actual Non-consolidated	Mar. 31, '06 Actual Consolidated
Bankrupt and quasi-bankrupt assets	448.3	481.0	164.5	250.1
Doubtful assets	924.4	1,074.2	473.4	565.0
Substandard loans	451.9	767.8	322.2	477.4
Sub-total	1,824.6	2,323.0	960.1	1,292.5
Normal assets	53,452.6	57,094.8	55,984.9	60,731.1
Total	55,277.2	59,417.8	56,945.0	62,023.6

(Note) Non-consolidated figures: Non-consolidated figures of Sumitomo Mitsui Banking Corporation.

Reserve for Possible Loan Losses

(Billions of yen)

	Mar. 31, '05 Actual Non-consolidated	Mar. 31, '05 Actual Consolidated	Mar. 31, '06 Actual Non-consolidated	Mar. 31, '06 Actual Consolidated
General reserve	417.6	633.6	572.5	742.6
Specific reserve	567.6	636.1	241.5	290.5
Loan loss reserve for specific overseas countries	3.9	3.9	2.4	2.4
Sub-total	989.1	1,273.6	816.4	1,035.5
Reserve for possible losses on loans sold to CCPC	-	-	-	-
Total	989.1	1,273.6	816.4	1,035.5

(Note) Non-consolidated figures: Non-consolidated figures of Sumitomo Mitsui Banking Corporation.

(Table 14) Risk-Monitored Loans

(Billions of yen, %)

	Mar. 31, '05 Actual Non-consolidated	Mar. 31, '05 Actual Consolidated	Mar. 31, '06 Actual Non-consolidated	Mar. 31, '06 Actual Consolidated
Bankrupt loans (A)	46.0	68.3	40.9	59.3
Non-accrual loans (B)	1,238.0	1,399.0	551.1	714.4
Past due loans (3 months or more) (C)	26.9	29.4	23.5	24.6
Restructured loans (D)	425.0	730.7	298.7	444.9
(1) Reduction of original interest rate	54.4	61.4	27.1	30.7
(2) Forbearance of interest payments	0.0	0.3	0.0	0.3
(3) Loans to supported companies	-	-	-	-
(4) Forbearance of principal repayments	363.4	661.0	271.6	413.2
(5) Others	7.2	8.0	-	0.7
Total (E)=(A)+(B)+(C)+(D)	1,735.9	2,227.4	914.2	1,243.2
Direct reduction	1,504.6	1,723.8	587.6	754.1
Ratio <(E) / Total loans>	3.5%	4.1%	1.8%	2.2%

(Note) Non-consolidated figures: Non-consolidated figures of Sumitomo Mitsui Banking Corporatio

(Table 15) Disposition of Problem Assets

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Actual	FY06 Forecast
Credit related costs (A)	1,306.3	75.9	
Provision for specific reserve for possible loan losses	474.1	15.8	
Write-off of loans and other related losses (C)	836.0	61.7	
Write-off of loans*1	605.8	(26.2)	
Losses on sales of loans to RCC*2	0.5	0.2	
Losses on bulk sales	137.5	79.4	
Losses on debt forgiveness	92.2	8.3	
Provision for reserve for possible losses from loans sold to CCPC	-	-	
Provision for reserve for supporting specific borrowers	-	-	
Provision for loan loss reserve for specific overseas countries	(3.8)	(1.6)	
Provision for general reserve for possible loan losses (B)	(351.5)	155.0	
Total (A) + (B)	954.8	230.9	170.0

<Reference>

Direct write-off of loans already reserved (D)	443.6	1,275.3	-
Gross direct write-offs (C) + (D)	1,279.6	1,337.0	-

<Sumitomo Mitsui Financial Group (Consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Actual	FY06 Forecast
Credit related costs (A)	1,398.0	181.9	
Provision for specific reserve for possible loan losses	493.9	45.0	
Write-off of loans and other related losses (C)	907.9	138.5	
Write-off of loans*1	667.2	29.5	
Losses on sales of loans to RCC*2	0.6	0.2	
Losses on bulk sales	147.9	100.5	
Losses on debt forgiveness	92.2	8.3	
Provision for reserve for possible losses from loans sold to CCPC	-	-	
Provision for reserve for supporting specific borrowers	-	-	
Provision for loan loss reserve for specific overseas countries	(3.8)	(1.6)	
Provision for general reserve for possible loan losses (B)	(201.2)	120.1	
Total (A) + (B)	1,196.8	302.0	

<Reference>

Direct write-off of loans already reserved (D)	540.9	1,397.9	-
Gross direct write-offs (C) + (D)	1,448.8	1,536.4	-

*1 Gains on collection of written-off claims are included in Write-off of loans in FY05.

*2 Losses due to the sales of loans to the specific bank defined in Article 53 of Financial Reconstruction Law.

(Table 17) Bankruptcies in FY05

[Sumitomo Mitsui Banking Corporation (Non-consolidated)]

(Billions of yen)

Internal grading	Internal grading one year before the bankruptcy		Internal grading six month before the bankruptcy	
	Number of bankruptcies	Outstanding exposure	Number of bankruptcies	Outstanding exposure
1	0	0.0	0	0.0
2	0	0.0	0	0.0
3	0	0.0	0	0.0
4A	0	0.0	0	0.0
4B	5	2.2	2	1.4
4C	14	6.2	10	4.2
5A	15	5.4	14	3.8
5B	21	5.5	14	4.2
5C	31	5.7	35	6.0
6	20	5.2	25	6.1
7	78	95.8	82	20.0
8	22	15.0	32	61.0
9	18	300.7	47	390.9
No grading	134	63.4	97	7.6
Total	358	505.2	358	505.2

(Notes) 1. Bankruptcies with credit amount less than JPY 50 million are excluded.

2. "No grading" includes individuals and companies without financial data.

(Reference) Problem Assets Based on the Financial Reconstruction Law

(Billions of yen)

	Mar. 31, '06
Bankrupt and quasi-bankrupt assets	164.5
Doubtful assets	473.4
Substandard loans	322.2
Normal assets	55,984.9
Total	56,945.0

(Table 18) Unrealized Gains (Losses) (as of Mar. 31, '06)

[Sumitomo Mitsui Banking Corporation (Non-consolidated)]

Securities

(Billions of yen)

		Outstanding balance	Net unrealized gains (losses)		
				Gains	Losses
Held-to- maturity purpose	Securities*1,*2	1,236.1	(30.8)	0.6	31.4
	Bond	1,226.4	(31.1)	0.3	31.4
	Stock	-	-	-	-
	Other	9.7	0.3	0.3	-
	Money held in trust*1	-	-	-	-
Subsidiaries, etc.	Securities*1,*2	1,528.8	267.6	270.3	2.7
	Bond	-	-	-	-
	Stock	616.3	267.6	270.3	2.7
	Other	912.5	-	-	-
	Money held in trust*1	-	-	-	-
Other securities	Securities*1,*2	22,520.4	1,316.3	1,695.7	379.4
	Bond	14,174.6	(282.2)	0.8	283.0
	Stock	3,841.6	1,632.4	1,649.9	17.5
	Other	4,504.2	(33.9)	45.0	78.9
	Money held in trust*1	2.9	0.2	0.2	-

Others

(Billions of yen)

	Book value	Market value	Net unrealized gains (losses)		
				Gains	Losses
Premises used in business*3	303.3	289.0	(14.3)	15.0	29.3
Other premises	-	-	-	-	-
Other assets	-	-	-	-	-

*1 Unrealized gains (losses) are calculated as follows:

Securities and Money held in trust with market value: Market prices as of balance sheet date.

However, unrealized gains (losses) of stocks in "Other securities" are based on the average market price during the final month of the fiscal year.

*2 Securities include following items, which are not categorized as "Securities" in the balance sheet:

Negotiable certificates of deposit included in item "Cash and due from banks & Deposits with banks"

Beneficiary claims on commodity investment trusts included in item "Commercial paper and other debt purchased"

*3 Based on revaluation of land at fair value as of Mar. 31, '98 and Mar. 31, '02 under the Revaluation Act of Land

Properties and the law concerning amendment of the Law.

Book value: Book value after the revaluation.

Market value: Market value as of Mar. 31, '06.

(Table 18) Unrealized Gains (Losses) (as of Mar. 31, '06)

[Sumitomo Mitsui Financial Group (Consolidated)]

Securities

(Billions of yen)

		Outstanding balance	Net unrealized gains (losses)		
			Gains	Losses	
Held-to- maturity purpose	Securities*1,*2	1,250.4	(30.8)	0.6	31.4
	Bond	1,226.7	(31.1)	0.3	31.4
	Stock	-	-	-	-
	Other	23.7	0.3	0.3	-
	Money held in trust*1	-	-	-	-
Subsidiaries, etc.	Securities*1,*2	498.7	97.3	99.9	2.6
	Bond	-	-	-	-
	Stock	492.0	97.3	99.9	2.6
	Other	6.7	-	-	-
	Money held in trust*1	-	-	-	-
Other securities	Securities*1,*2	23,843.3	1,373.4	1,771.2	397.8
	Bond	14,905.4	(297.2)	1.0	298.2
	Stock	4,008.6	1,702.7	1,722.1	19.4
	Other	4,929.3	(32.1)	48.1	80.2
	Money held in trust*1	2.9	0.2	0.2	-

Others

(Billions of yen)

	Book value	Market value	Net unrealized gains (losses)		
			Gains	Losses	
Premises used in business*3	306.3	291.0	(15.3)	15.0	30.3
Other premises	-	-	-	-	-
Other assets	-	-	-	-	-

*1 Unrealized gains (losses) are calculated as follows;

Securities and Money held in trust with market value: Market prices as of balance sheet date.

However, unrealized gains (losses) of stocks in "Other securities" are based on the average market price during the final month of the fiscal year.

*2 Securities include following items, which are not categorized as "Securities" in the balance sheet:

Negotiable certificates of deposit included in item "Deposits with banks"

Beneficiary claims on commodity investment trusts, etc. included in item "Commercial papers and other debt purchases"

*3 Based on revaluation of land at fair value as of Mar. 31, '98, Mar. 31, '99 and Mar. 31, '02 under the Revaluation Act of Land Properties and the law concerning amendment of the Law.

Book value: Book value after the revaluation.

Market value: Market value as of Mar. 31, '06.

(Table 19) Off balance sheet transaction

[Sumitomo Mitsui Financial Group (Consolidated)]

(Billions of yen)

	Contract amount or notional amount		Credit risk equivalent amount	
	Mar. 31, '05	Mar. 31, '06	Mar. 31, '05	Mar. 31, '06
Financial futures contracts	126,102.5	126,433.6	-	-
Interest rate swaps	283,342.9	314,081.9	3,625.8	4,208.0
Currency swaps	18,098.4	20,394.8	1,440.2	1,290.4
Foreign exchange forward contracts	40,194.7	45,179.9	936.1	1,060.4
Interest rate options (buy)	5,635.6	7,509.7	74.0	69.6
Currency options (buy)	2,564.9	3,254.4	181.8	170.8
Other derivative instruments	21,186.5	23,092.1	134.0	225.9
Effect of Master Netting agreements	-	-	(3,136.2)	(3,985.4)
Total	497,125.5	539,946.4	3,255.6	3,039.7

(Note) Figures shown above were computed according to capital adequacy guidelines set by the BIS.

Followings were also added.

- Listed transactions
- Options (sell)
- Transactions for which the original contracts have maturity of 14 days or less

(Table 20) Credit Composition (as of Mar. 31, '06)
 [Sumitomo Mitsui Banking Corporation (Non-consolidated)]

(Billions of yen)

	Counter party with rating equivalent to BBB/Baa or higher	Counter party with rating equivalent to BB/Ba or lower	Others*	Total
Credit risk equivalent	180.4	0.0	3.3	183.7
Credit cost	0.1	0.0	0.1	0.2
Amount of credit risk	0.6	0.0	0.1	0.7

(Note) Tentative calculation for interest rate and foreign currency related derivative transactions with financial institutions located in Tokyo, New York, Hong Kong and Singapore by the Treasury Unit

*Corporations without credit ratings by rating agencies.

Reasons for the differences between the plan and the results

[Sumitomo Mitsui Financial Group]

(Table 1-1: non-consolidated)

- (#1) Capital stock: 68.2 billion yen above the plan
- Capital reserve: 68.2 billion yen above the plan
- Other capital surplus: 184.9 billion yen above the plan
- Treasury stock: 265.6 billion yen above the plan

Mainly due to the capital raising in January – February, 2006.

[Sumitomo Mitsui Banking Corporation]

(Table 1-1: non-consolidated)

- (#1) Net unrealized gains (losses) on other securities: 460.5 billion yen above the plan

Due to the greater-than-expected rise in the stock prices in the market.

- (#2) Net trading income: 113.0 billion yen below the plan
- Net other operating income: 75.2 billion yen above the plan

Due to the accounting procedure in which profits (losses) from trading transactions in foreign currencies (currency swaps, etc.) and profits (losses) from foreign exchange transactions for hedging purpose are separately accounted for as Net trading income and Net other operating income (Gains (losses) on foreign exchange transactions) respectively.

- (#3) Gains (losses) on stocks: 35.5 billion yen above the plan

Due to the greater-than-expected rise in the stock prices in the market.

- (#4) Extraordinary gains (loss): 35.7 billion yen above the plan

Mainly due to 30.6 billion yen of Gains on collection of written-off claims. Meanwhile, Gains on collection of written-off claims were included in total credit cost in FY2005. As a result, total credit cost was 230.9 billion yen.

- (#5) Net income (loss): 169.5 billion yen above the plan

Mainly due to the higher-than-expected Gains (losses) on stocks and the lower-than-expected total credit costs and tax expenses.

- (#6) Yield on interest earning assets: 0.14% above the plan
- Interest paid on deposits: 0.15% above the plan

Mainly due to the rise in US dollar interest rates.

- (#7) ROE: 2.77% below the plan

Due to the greater-than-expected stockholders' equity mainly because of the increase in Net unrealized gains (losses) on other securities.

(Table 6)

(#1) Non-personnel expenses: 6,303 million yen above the plan for FY05 (349,900 million yen)
Non-personnel expenses excluding system related cost:
8,799 million yen above the plan for FY05 (267,900 million yen)

Due to the weaker-than-expected yen/dollar exchange rate (\$1=117.48 yen) compared with the assumption of the plan (\$1=105.00 yen) and the increase in consignment expenses as a result of outsourcing of back-office operations in "Service Offices."