

# Financial Highlights for the Six Months ended September 30, 2005

## 1. Income Analysis

&lt;SMBC Non-consolidated&gt;

(Millions of yen)

		Six months ended Sep. 30, 2005	Change	Six months ended Sep. 30, 2004
Gross banking profit	1	766,648	3,932	762,716
Excluding gains (losses) on bonds	2	738,282	2,229	736,053
Gross domestic profit	3	626,576	36,459	590,117
Excluding gains (losses) on bonds	4	608,887	38,669	570,218
Net interest income	5	459,046	(3,387)	462,433
Trust fees	6	4,284	3,556	728
Net fees and commissions	7	130,683	30,132	100,551
Net trading income	8	(1,038)	(1,763)	725
Net other operating income	9	33,600	7,922	25,678
Gains (losses) on bonds	10	17,689	(2,210)	19,899
Gross international profit	11	140,071	(32,527)	172,598
Excluding gains (losses) on bonds	12	129,395	(36,439)	165,834
Net interest income	13	(4,695)	(33,130)	28,435
Net fees and commissions	14	32,750	6,280	26,470
Net trading income	15	4,608	(15,816)	20,424
Net other operating income	16	107,408	10,140	97,268
Gains (losses) on bonds	17	10,675	3,911	6,764
Expenses (excluding non-recurring losses)	18	(292,415)	(1,279)	(291,136)
Personnel expenses	19	(98,888)	5,432	(104,320)
Non-personnel expenses	20	(177,046)	(8,497)	(168,549)
Taxes	21	(16,480)	1,786	(18,266)
Banking profit (before provision for general reserve for possible loan losses)	22	474,233	2,653	471,580
Excluding gains (losses) on bonds	23	445,867	950	444,917
Provision for general reserve for possible loan losses	24	24,335	(325,399)	349,734
Banking profit	25	498,568	(322,746)	821,314
Gains (losses) on bonds	26	28,365	1,702	26,663
Non-recurring gains (losses)	27	(138,790)	557,326	(696,116)
Credit related costs	28	(153,994)	651,511	(805,505)
Write-off of loans	29	(16,804)	331,965	(348,769)
Provision for specific reserve for possible loan losses	30	(122,647)	281,219	(403,866)
Losses on sales of delinquent loans	31	(14,746)	40,961	(55,707)
Provision for loan loss reserve for specific overseas countries	32	202	(2,636)	2,838
Gains (losses) on stocks	33	24,942	(19,877)	44,819
Gains on sale of stocks	34	34,137	(25,868)	60,005
Losses on sale of stocks	35	(360)	74	(434)
Losses on devaluation of stocks	36	(8,833)	5,918	(14,751)
Other non-recurring gains (losses)	37	(9,738)	(74,308)	64,570
Ordinary profit	38	359,778	234,580	125,198
Extraordinary gains (losses)	39	(4,662)	7,465	(12,127)
Gains (losses) on disposal of premises and equipment	40	665	4,656	(3,991)
Gains on disposal of premises and equipment	41	2,446	1,819	627
Losses on disposal of premises and equipment	42	(1,781)	2,838	(4,619)
Losses on impairment of fixed assets	43	(5,288)	(5,288)	
Amortization of net transition obligation from initial application of the new accounting standard for employee retirement benefits	44	-	8,000	(8,000)
Income before income taxes	45	355,115	242,045	113,070
Income taxes, current	46	(5,081)	(3,436)	(1,645)
Income taxes, refund	47	-	(7,405)	7,405
Income taxes, deferred	48	(51,267)	(50,991)	(276)
Net income	49	298,766	180,212	118,554
Total credit cost (24+28)	50	(129,659)	326,112	(455,771)

(Note) Amounts less than JPY 1 million are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

## &lt;Consolidated&gt;

(Millions of yen)

		Six months ended Sep. 30, 2005		Six months ended Sep. 30, 2004
			Change	
Consolidated gross profit	1	1,021,916	1,961	1,019,955
Net interest income	2	553,715	(42,075)	595,790
Trust fees	3	4,285	3,556	729
Net fees and commissions	4	278,707	43,328	235,379
Net trading income	5	12,259	(18,063)	30,322
Net other operating income	6	172,948	15,216	157,732
General and administrative expenses	7	(421,626)	1,986	(423,612)
Credit related costs	8	(176,525)	436,301	(612,826)
Write-off of loans	9	(42,681)	348,555	(391,236)
Provision for specific reserve for possible loan losses	10	(143,816)	264,505	(408,321)
Provision for general reserve for possible loan losses	11	39,495	(200,720)	240,215
Other credit cost	12	(29,522)	23,960	(53,482)
Gains (losses) on stocks	13	35,265	(13,552)	48,817
Equity in earnings of affiliates	14	14,081	1,188	12,893
Other income (expenses)	15	(9,342)	(78,215)	68,873
Ordinary profit	16	463,768	349,668	114,100
Extraordinary gains (losses)	17	47,524	64,909	(17,385)
Losses on impairment of fixed assets	18	(10,580)	(10,580)	
Income before income taxes and minority interests	19	511,293	414,578	96,715
Income taxes, current	20	(32,367)	(15,288)	(17,079)
Income taxes, refund	21	-	(8,104)	8,104
Income taxes, deferred	22	(60,672)	(55,395)	(5,277)
Minority interests in net income	23	(25,925)	3,165	(29,090)
Net income	24	392,327	338,955	53,372

(Note) Consolidated gross profit = (Interest income - interest expenses) + Trust fees + (Fees and commissions (income) - Fees and commissions (expenses)) + (Trading profits - Trading losses) + (Other operating income - Other operating expenses)

## (Reference)

(Billions of yen)

Consolidated net business profit	25	579.6	34.7	544.9
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(Note) Consolidated net business profit = (SMBC Non-consolidated banking profit (before provision for general reserve for possible loan losses)) + (Other consolidated subsidiaries' ordinary profit (excluding non-recurring items)) + (Affiliates' ordinary profit) X (Ownership ratio) - (Internal transaction (dividends, etc.))

## (Number of consolidated subsidiaries and affiliates)

		Sep. 30, 2005	Change	Mar. 31, 2005
Consolidated subsidiaries	26	166	(1)	167
Affiliated companies accounted for by equity method	27	59	6	53