



Sumitomo Mitsui Banking Corporation (SMBC)

Nonconsolidated Financial Results for Fiscal 2001 ended March 31, 2002

Head Office: 1-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan
Date of Approval by the Board of Directors: May 24, 2002
Date of Ordinary General Meeting of Shareholders: June 27, 2002
Stock Exchange Listings: Tokyo, Osaka, Nagoya, Sapporo and London
URL: <http://www.smbc.co.jp>

1. Performance (for Fiscal 2001 ended March 31, 2002)

(1) Financial Results Amounts for March 31, 2001 are prepared for Sakura Bank and Sumitomo Bank on a combined basis.
Amounts less than one million yen have been omitted.

Fiscal Year	Operating Income		Operating Profit (Loss)		Net Income (Loss)	
	¥ million	%	¥ million	%	¥ million	%
ended March 31, 2002	2,791,405	(15.1)	(522,106)	-	(322,852)	-
ended March 31, 2001	3,289,556	(20.0)	359,167	6.8	137,835	30.1

Fiscal Year	Net Income (Loss) per Share	Net Income(Loss) per Share(diluted)	Return on Stockholders' Equity	Expenses to Income Ratio	Deposits
	¥	¥	%	%	¥ million
ended March 31, 2002	(59.20)	-	(15.5)	118.7	61,051,813
ended March 31, 2001	Sakura 17.28 Sumitomo 16.59	17.25 16.25	4.9 3.7	86.8 90.9	59,041,313

Notes: 1. Average number of common stock outstanding
for the fiscal year ended March 31, 2002: 5,699,043,601
for the fiscal year ended March 31, 2001: (Sakura) 4,117,698,482 (Sumitomo) 3,141,062,101
2. There is no change in accounting methods.
3. Expenses to Income Ratio = Operating expenses / Operating income X 100
4. Percentages (%) of Operating Income, Operating Profit and Net Income mean the ratio of increase (decrease) from previous year.

(2) Dividends (common stock)

Fiscal Year	Dividends per Share (Annual)			Dividends (Annual)	Dividend Payout Ratio	Ratio of Dividends to Stockholders' Equity
	¥	¥	¥			
ended March 31, 2002	4.00	0.00	4.00	¥ million 22,835	-	1.2
ended March 31, 2001	Sakura 6.00 Sumitomo 6.00	3.00 3.00	3.00 3.00	24,707 18,846	34.7 36.2	1.7 1.3

Note: Dividends per share for the year ended March 31, 2001 of Sakura Bank is calculated by assuming the delivered money due to merger (equivalents of dividends per share for the year ended March 31, 2001) as year-end cash dividends.

(3) Financial Position

Fiscal Year	Total Assets	Stockholders' Equity	Stockholders' Equity to Total Assets	Stockholders' Equity per Share	Capital Ratio (BIS Guidelines)
	¥ million	¥ million	%	¥	%
March 31, 2002	102,082,581	3,196,492	3.1	332.02	(Preliminary) 11.50
March 31, 2001	113,727,498	4,199,937	3.7	Sakura 358.44 Sumitomo 451.35	Sakura 11.91 Sumitomo 11.80

Notes: 1. Number of common stock outstanding
as of March 31, 2002: 5,708,989,836
as of March 31, 2001: (Sakura) 4,118,077,946 (Sumitomo) 3,141,062,101
2. Number of treasury stock as of March 31, 2002: 434,559

2. Performance Forecast (for Fiscal 2000 ending March 31, 2003)

	Operating Income	Operating Profit	Net Income	Dividends per Share (Annual)		
				Interim	Year end	
	¥ million	¥ million	¥ million	¥	¥	¥
For the six months ending September 30, 2002	1,200,000	110,000	40,000	0.00	-	-
For the fiscal year ending March 31, 2003	2,400,000	230,000	80,000	-	4.00	4.00

(Reference) Forecasted net income per share for Fiscal 2002 is 11.47 yen.

This material contains certain forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may materially differ from those contained in the forward-looking statements as a result of various factors. The following items are among the factors that could cause actual results to differ materially from the forward looking statements in this material: business conditions in the banking industry, the regulatory environment, new legislation, competition with other financial services companies, changing technology and evolving banking industry standards and similar matters.

Average number of shares outstanding during the year

Sumitomo Mitsui Banking Corporation	For Fiscal 2001 ended March, 31, 2002
Common stock	5,699,043,601
Preferred stock (first series type 1)	67,000,000
Preferred stock (second series type 1)	100,000,000
Preferred stock (type 5)	800,000,000
Preferred stock (type 6)	1,073,750

Sakura Bank	For Fiscal 2000 ended March 31, 2001
Common stock	4,117,698,482
Preferred stock (series II)	2,671,767
Preferred stock (series III (type 2))	800,000,000

Sumitomo Bank	For Fiscal 2000 ended March 31, 2001
Common stock	3,141,062,101
Preferred stock (first series type 1)	67,000,000
Preferred stock (second series type 1)	100,000,000

Number of shares as of year-end

Sumitomo Mitsui Banking Corporation	As of March 31, 2002
Common stock	5,708,989,836
Preferred stock (first series type 1)	67,000,000
Preferred stock (second series type 1)	100,000,000
Preferred stock (type 5)	800,000,000

Sakura Bank	As of March 31, 2001
Common stock	4,118,077,946
Preferred stock (series II)	2,577,000
Preferred stock (series III (type 2))	800,000,000

Sumitomo Bank	As of March 31, 2001
Common stock	3,141,062,101
Preferred stock (first series type 1)	67,000,000
Preferred stock (second series type 1)	100,000,000

Note: Number of shares outstanding changed during the fiscal year ended March 31, 2002 as follows:

		Number of shares issued	Capitalized amount
Increase due to merger	Common stock	2,470,846,767	523,851 million yen
	Preferred stock (type 5)	800,000,000	
	Preferred stock (type 6)	2,577,000	
Conversion of convertible bonds	Common stock	91,324,178	50,045 million yen
Conversion of preferred stock (type 6) into common stock	Common stock	6,191,349	–
	Preferred stock (type 6)	(2,577,000)	–

Dividends per share (For Fiscal 2001 ended March 31, 2002)

(Yen)

Sumitomo Mitsui Banking Corporation	Dividends per Share (Annual)			Dividends (Annual)
		Interim	Year End	
Common stock	4.00	0.00	4.00	22,835
Preferred stock (first series type 1)	10.50	0.00	10.50	703
Preferred stock (second series type 1)	28.50	0.00	28.50	2,850
Preferred stock (type 5)	13.70	0.00	13.70	10,960

Sakura Bank (For Fiscal 2000 ended March 31, 2001)

(Yen)

	Dividends per Share (Annual)			Dividends (Annual)
		Interim	Year End	
Common stock	6.00	3.00	3.00	24,707
Preferred stock (series II)	15.00	7.50	7.50	39
Preferred stock (series III (type 2))	13.70	6.85	6.85	10,960

Notes: 1. ¥ 3.00 of delivered money due to merger is assumed as year-end dividends for the year ended March 2001.

2. ¥ 7.50 of delivered money due to merger is assumed as year-end dividends for the year ended March 2001.

3. ¥ 6.85 of delivered money due to merger is assumed as year-end dividends for the year ended March 2001.

Sumitomo Bank (For Fiscal 2000 ended March 31, 2001)

(Yen)

	Dividends per Share (Annual)			Dividends (Annual)
		Interim	Year End	
Common stock	6.00	3.00	3.00	18,846
Preferred stock (first series type 1)	10.50	5.25	5.25	703
Preferred stock (second series type 1)	28.50	14.25	14.25	2,850

Forecasted annual dividends per share for the year ending March 31, 2003 (Yen)

	Annual dividends per share		
		Interim	Year end
Common stock	4.00	0.00	4.00
Preferred stock (first series type 1)	10.50	0.00	10.50
Preferred stock (second series type 1)	28.50	0.00	28.50
Preferred stock (type 5)	13.70	0.00	13.70

Calculation for Index

(1) Financial Results for Fiscal 2001 ended March 31, 2002

- Net Income per Share:

$$\frac{\text{Net income} - \text{Preferred share dividends}}{\text{Average number of common shares outstanding during the year (*)}}$$

- Return on Stockholders' Equity

$$\frac{\text{Net income} - \text{Preferred share dividends}}{\{(\text{Stockholders' equity at beginning of year} - \text{Number of preferred shares outstanding at beginning of year} \times \text{Issue price}) + (\text{Stockholders' equity at year end} - \text{Number of preferred shares outstanding at year end} \times \text{Issue price})\} / 2} \times 100$$

- Dividend Payout Ratio:

$$\frac{\text{Common share dividends}}{\text{Net income} - \text{Preferred share dividends}} \times 100$$

- Ratio of Dividends to Stockholders' Equity:

$$\frac{\text{Common share dividends}}{\text{Stockholders' equity at year end} - \text{Number of preferred shares outstanding at year end} \times \text{Issue price}} \times 100$$

- Stockholders' Equity per Share:

$$\frac{\text{Stockholders' equity at year end} - \text{Number of preferred shares outstanding at year end} \times \text{Issue price}}{\text{Number of common shares outstanding at year end (*)}}$$

(2) Forecasted Financial Results for Fiscal 2002 ending March 31, 2003

- Forecasted Net Income per Share:

$$\frac{\text{Forecasted net income} - \text{Forecasted preferred share dividends}}{\text{Number of common shares outstanding at year end (*)}}$$

(*) Treasury stock is excluded from this fiscal year.

NONCONSOLIDATED BALANCE SHEET

March 31, 2002

(Millions of yen)

Assets		Liabilities	
Cash and due from banks	5,458,430	Deposits	61,051,813
Cash	1,271,992	Current deposits	4,598,808
Due from banks	4,186,438	Ordinary deposits	23,915,577
Call loans	620,406	Savings deposits	1,314,621
Receivables under resale agreements	432,730	Deposits at notice	6,241,545
Commercial paper and other debt purchased	146,650	Time deposits	20,932,561
Trading assets	2,705,648	Installment savings	0
Trading securities	9,827	Other deposits	4,048,698
Derivatives of trading securities	91	Negotiable certificates of deposit	6,577,539
Derivatives of securities related to trading transactions	12	Call money	3,883,991
Trading-related financial derivatives	1,831,961	Payables under repurchase agreements	1,100,446
Other trading assets	863,755	Bills sold	6,868,800
Money held in trust	33,858	Commercial paper	1,001,000
Securities	20,442,996	Trading liabilities	1,797,086
Japanese government bonds	9,599,109	Derivatives of trading securities	79
Japanese local government bonds	429,412	Derivatives of securities related to trading transactions	0
Corporate bonds	1,183,562	Trading-related financial derivatives	1,797,006
Stocks	5,595,410	Borrowed money	3,406,286
Other securities	3,635,501	Bills rediscounted	58,784
Loans and bills discounted	59,928,368	Borrowings from finance companies	3,347,501
Bills discounted	857,827	Foreign exchanges	300,162
Loans on bills	7,897,569	Due to foreign banks, credit	192,766
Loans on deeds	39,435,408	Due to foreign banks, debit	56,057
Overdrafts	11,737,562	Foreign bills sold	27,822
Foreign exchanges	779,142	Foreign bills payable	23,514
Due from foreign bank, credit	48,491	Bonds	2,133,754
Due from foreign bank, debit	131,166	Convertible bonds	1,106
Foreign bills bought	358,880	Other liabilities	4,962,176
Foreign bills receivable	240,604	Domestic exchange settlement account, credit	7,886
Other assets	5,344,106	Income taxes payable	31,874
Domestic exchange settlement account, debit	29,087	Accrued expenses	166,950
Prepaid expenses	5,650	Unearned income	37,055
Accrued income	362,359	Employees' deposits	46,253
Initial margins of futures markets	20,653	Initial margins of futures markets	860
Variation margins of futures markets	155	Variation margins of futures markets	795
Securities in custody	825	Financial derivatives	887,205
Financial derivatives	1,396,901	Deferred profit on hedge	92,987
Discount of bonds	220	Pledged money for securities lending transactions	3,162,009
Pledged money for securities borrowing transactions	3,020,519	Other	528,297
Other	507,732	Reserve for employee bonuses	11,342
Premises and equipment	890,981	Reserve for employee retirement benefits	116,854
Land, building and equipment	788,197	Reserve for possible losses on loans sold	80,576
Construction in progress	2,606	Other reserves	18
Surety deposits and intangible	100,177	Reserve for financial futures transaction liabilities	18
Deferred tax assets	1,741,114	Deferred tax liabilities for land revaluation	63,137
Customers' liabilities for acceptances and guarantees	5,529,996	Acceptances and guarantees	5,529,996
Reserve for possible loan losses	(1,971,849)	Total liabilities	98,886,088
		Stockholders' equity	
		Capital stock	1,326,746
		Legal reserves	1,326,758
		Capital surplus	1,326,758
		Land revaluation excess	100,346
		Retained earnings	740,874
		Voluntary reserves	221,560
		Reserve for losses on overseas investments	58
		Voluntary earned reserve for retirement allowances	1,656
		Special voluntary earned reserves	219,845
		Unappropriated profit at end of year	161,699
		Net loss	322,852
		Other retained earnings	357,614
		Earnings due to decrease of capital surplus	357,614
		Net unrealized losses on other securities	(297,950)
		Treasury stock	(283)
		Total stockholders' equity	3,196,492
Total assets	102,082,581	Total liabilities and stockholders' equity	102,082,581

Notes to Nonconsolidated Balance Sheet

1. Amounts less than one million yen have been omitted.
2. Standards for recognition and measurement of trading assets and liabilities are as follows:
Recognition:
Trading account positions relating to transactions made for the purposes of seeking gains arising from short-term changes in interest rates, currency exchange rates, or market prices of securities and other market related indices or from variation among markets, are included in Trading assets or Trading liabilities on the balance sheet on a contract date basis.
Measurement:
Trading securities and monetary claims purchased for trading purposes are stated at market value, and financial derivatives such as swaps, futures and options, are at the amounts that would be settled if the transactions were terminated at the balance sheet date.
3. As for securities other than those in trading portfolio, debt securities that Sumitomo Mitsui Banking Corporation (the 'Bank') has the positive intent and ability to hold to maturity (held-to-maturity securities) are carried at amortized cost (the straight-line method), using the moving-average method.
Investments in subsidiaries and affiliates are carried at cost, using the moving-average method.
Securities excluding those classified as trading securities, held-to-maturity securities or investments in subsidiaries and affiliates, are defined as '*other securities*.' Stocks classified as *other securities* that have market value are carried at the average market value during the final month of the fiscal year, and *other securities* excluding the marketable stocks that have market value are carried at market value at the balance sheet date (cost of securities is calculated mainly by moving-average method). *Other securities* that do not have market value are carried at cost or amortized cost, using the moving-average method. Net unrealized gains (losses) on *other securities* are recognized, net of applicable income taxes, as a separate component of stockholders' equity.
4. Securities included in money held in trust account are carried in the same way as mentioned in Notes 2 and 3.
5. Derivative transactions excluding those classified as trading accounts are carried at fair value.
6. Depreciation of premises and equipment is computed by the straight-line method (the declining-balance method is used for equipment). The estimated useful lives of major items are as follows:
Buildings: 7 to 50 years
Equipment: 3 to 20 years
7. Capitalized software for internal use is depreciated using the straight-line method over its estimated useful life (five years).
8. Issuance cost of new stocks and bonds is expensed as they are incurred. Discount of bonds is included in Other assets and amortized using straight-line method over the lives of the bonds.
9. Assets and liabilities denominated in foreign currencies and overseas branches' accounts are translated into Japanese yen mainly at the exchange rate prevailing at the balance sheet date, with the exception of stocks of subsidiaries and affiliates translated at rates prevailing at the time of acquisition.
Formerly, the Bank applied 'the accounting standards for foreign currency transactions in banking industry' introduced in 1990. From this fiscal year, the Bank applies the revised accounting standards for foreign currency transactions ('Opinion Concerning Revision of Accounting Standard for Foreign Currency Transactions' issued by Business Accounting Deliberation Council on October 22, 1999) with the exception of when 'Temporary Treatment of Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry' (JICPA Industry Audit Committee Report No.20) is applied.
Financial swap transactions are accounted for pursuant to the JICPA Industry Audit Committee Report No.20 as follows:
 - (1) Initial exchange cash flows are assumed as principal of claim and debt and are reported on the balance sheet at the exchange rate prevailing at the balance sheet date in the net amount.
 - (2) The difference of the initial and final exchange cash flows by currency, which is the reflection of the difference in the yield between the currencies, is assumed as interest and is accounted for on an accrual basis on the balance sheet and the statement of income.Financial swap transactions are foreign exchange transactions that are contracted for the purpose of lending or borrowing funds in different currencies. These transactions consist of spot foreign exchange either bought or sold and forward foreign exchange either bought or sold. The spot foreign exchange bought or sold is the swap transaction for borrowing or lending the principal equivalent of the fund. The forward foreign exchange bought or sold is the swap

transaction of the foreign currency equivalent including the principal and corresponding interest to be paid or received, the amount and due date of which are predetermined.

10. Reserve for possible loan losses is provided as detailed below, in accordance with the internal standards for write-offs and reserves.

For claims on borrowers that are legally bankrupt ('bankrupt borrowers') or borrowers that are regarded as substantially in the same situation ('effectively bankrupt borrowers'), a reserve is provided based on the amount of claims net of the expected amount of recoveries from collateral and guarantees net of the deducted amount mentioned below.

For claims on borrowers that are not currently in the status of bankrupt but are likely to become bankrupt in future, a reserve is provided by the amount deemed necessary based on overall solvency assessment, out of the amount of claims net of the expected amount of recoveries from collateral and guarantees.

For other claims, a reserve is provided based on the historical loan-loss ratio.

For claims originated in certain countries, an additional reserve (including a reserve for losses on overseas investments prescribed in Article 55-2 of Specific Taxation Measures Law) is provided by the amount deemed necessary based on assessment of political and economic conditions in such countries under the name of 'loan loss reserve for specific overseas countries' as a component of reserve for possible loan losses.

Branches and credit supervision departments assess all claims in accordance with the internal rule for self-assessment of assets. Subsequently, Credit Review Department, independent from these operating sections, audits their assessment. The reserves are provided based on the results of these assessment procedures.

For claims on 'bankrupt borrowers' and 'effectively bankrupt borrowers,' the amount exceeding the estimated value of collateral and guarantees is deducted, as deemed uncollectible, directly from those claims. The deducted amount is 1,405,069 million yen.

11. Reserve for employee bonuses is provided, in provision for payment of bonuses to employees, by the amount of estimated bonuses, which are attributable to this fiscal year. Accrued bonuses to employees were formerly included in 'Accrued expenses,' but 'Reserve for employee bonuses' is reported from this fiscal year in accordance with 'Concerning Financial Statement Titles to be used for Accrued Bonuses for Employees' (Research Center Review Information No.15 issued by JICPA). Consequently, 'Accrued expenses' decreased by 11,342 million yen and 'Reserve for employee bonuses' increased by the same amount.

12. Reserve for employee retirement benefits is provided, in provision for payment of retirement benefits to employees, by the amount deemed necessary, based on the projected retirement benefit obligation and plan assets at the balance sheet date.

Prior service cost is amortized using the straight-line method over the certain years (10 years) within the employees' average remaining service period at the incurrence.

Unrecognized net actuarial gain (loss) is amortized using the straight-line method over the certain years (10 years) within the employees' average remaining service period, commencing from the next fiscal year of incurrence.

Unrecognized net transition obligation is amortized using the straight-line method over 5 years.

13. Reserve for possible losses on loans sold is provided for contingent losses arising from decline of market value of underlying collateral for loans sold to the Cooperative Credit Purchasing Company, Limited. This reserve is provided in accordance with Article 287-2 of the Commercial Code.

14. Financing leases, except for those which transfer the ownership of the property to the lessee, are accounted for in the same manner as operating leases.

15. In accordance with the Industry Audit Committee Report No.15 'Temporary Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry' issued by JICPA, the Bank applies 'the risk adjustment approach' as a hedge accounting (Macro hedge), abiding by the following requirements:

(1) Loans, deposits and other interest-earning assets and interest-bearing liabilities as a whole shall be recognized as the hedged portfolio.

(2) Derivatives as the hedging instruments shall effectively reduce the interest rate exposure of the hedged portfolio.

(3) Eligibility of hedging activities shall be evaluated on a quarterly basis.

The Bank applies deferred hedge accounting.

In order to hedge the risk arising from the volatility of exchange rates for the stocks of subsidiaries and affiliates and other securities (excluding bonds) denominated in foreign currency, the Bank applies deferred hedge accounting on the conditions that the hedged security is specified in advance and that enough on-balance (actual) or off-balance (forward) liability exposure exists to cover the cost of the hedged security pursuant to 'Temporary Treatment of Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry' (JICPA Industry Audit Committee Report No.20).

Certain derivatives for the purpose of hedging are recorded on a cost basis using the short-cut method (exceptional treatment for interest rate swaps) in view of consistency with the risk management policy.

16. Consumption tax and local consumption tax are accounted for using the tax-excluded method.
17. 'Other reserve' required by Special Law is stated as follows:
Reserve for contingent liabilities from financial futures transaction is recorded at 18 million yen.
This reserve was provided in accordance with Article 82 of the Financial Futures Transaction Law.
18. Total value of investments in subsidiaries held by the Bank amounts to 638,477 million yen.
19. Total value of claims on subsidiaries of the Bank amounts to 507,461 million yen.
20. Total value of claims of subsidiaries on the Bank amounts to 2,475,880 million yen.
21. Accumulated depreciation of the Bank's premises and equipment amounts to 522,831 million yen.
22. Advanced depreciation of the Bank's premises and equipment amounts to 76,321 million yen.
23. In addition to Premises and equipment, which is reported on the balance sheet, some computers are used under lease contracts.
24. Bankrupt loans and Non-accrual loans are 195,653 million yen and 3,184,459 million yen respectively.
'Bankrupt loans' consist of loans on which the Bank does not currently accrue interest income due to the nonpayment status or other credit conditions of the borrower and which meet certain conditions defined in Article 96-1-3 or 96-1-4 of the Enforcement Ordinance No.97 of the Japanese Corporate Tax Law, issued in 1965.
'Non-accrual loans' is defined as loans on which the Bank does not currently accrue interest income but excluding 'Bankrupt loans' and loans for which the Bank is forbearing interest payments to support the borrowers' recovery from financial difficulty.
25. Past due loans (3 months or more) are 92,324 million yen.
'Past due loans (3 months or more)' consist of loans of which the principal and/or interest is past due for three months or more but exclude Bankrupt loans and Non-accrual loans.
26. Restructured loans are 2,344,016 million yen.
'Restructured loans' are loans for which the Bank relaxes lending terms, such as reduction of the original interest rate, forbearance of interest payments or principal repayments to support the borrowers' recovery from financial difficulty, but excluding Bankrupt loans, Non-accrual loans and Past due loans (3 months or more).
27. The total amount of Bankrupt loans, Non-accrual loans, Past due loans (3 months or more) and Restructured loans is 5,816,452 million yen as of the balance sheet date.
The amounts of loans presented in Notes 24 to 27 are amounts before reserve for possible loan losses is deducted.
28. The total face value of Bank acceptance bought, Commercial bills discounted and Documentary bills is 1,216,707 million yen.

29. Assets pledged as collateral as of the balance sheet date are as follows:
(Millions of yen)

Assets pledged	
Cash and due from banks	45,623
Trading assets	621,047
Securities	8,926,055
Loans and bills discounted	3,239,033
Liabilities corresponding to assets pledged	
Call money	1,505,000
Payables under repurchase agreements	1,100,446
Bills sold	6,868,800
Borrowed money	98,128
Pledged money for securities lending transactions	2,504,332
Acceptances and guarantees	45,571

In addition, Cash and due from banks of 101,669 million yen, Trading assets of 296 million yen, Securities of 2,764,145 million yen and Loans and bills discounted of 58,095 million yen were pledged as collateral for cash settlements, variation margins of futures markets and certain other purposes.

30. Net amount of deferred unrealized gains (losses) on hedging instruments to which hedge accounting is applied is reported as Deferred profit on hedge. Gross deferred unrealized losses and gross deferred unrealized gains on hedging instruments are 1,057,953 million yen and 1,150,941 million yen respectively.

31. Pursuant to the Law concerning Land Revaluation (the Law) effective March 31, 1998, the Bank revaluated its own land for business activities. The income taxes corresponding to the net unrealized gains are deferred and reported in liabilities as 'Deferred tax liabilities for land revaluation,' and the net unrealized gains, net of deferred taxes, are reported as 'Land revaluation excess' in stockholders' equity.

Date of the revaluation: March 31, 1998

Method of revaluation (provided in Article 3-3 of the Law):

The fair values are determined by applying appropriate adjustments for land shape and timing of appraisal to the values specified in any of the Article 2-3, 2-4 or 2-5 of the Enforcement Ordinance of the Law concerning Land Revaluation (the Enforcement Ordinance) effective March 31, 1998.

The total amount of values of the land for business activities, as of the balance sheet date, which were revaluated pursuant to the Article 10 of the Law, is lower by 90,526 million yen than the total amount of book value after the land revaluation.

Pursuant to the Law and the law concerning amendment of the Law effective March 31, 2001, the Bank revaluated the land for business activities that was succeeded due to merger with SMBC Property Management Service Co., Ltd. The equivalent of income taxes corresponding to the revaluated losses is deducted from 'Deferred tax liabilities for land revaluation' and the revaluated losses, net of the corresponding taxes, are deducted from 'Land revaluation excess.'

Date of the revaluation: March 31, 2002

Book value of the land for business activities before revaluation: 248,659 million yen

Book value of the land for business activities after revaluation: 169,520 million yen

Method of revaluation (provided in Article 3-3 of the Law):

The fair values are determined by applying appropriate adjustments for land shape and analysis on the appraisal specified in any of the Article 2-3 or 2-4 of the Enforcement Ordinance of the Law concerning Land Revaluation (the Enforcement Ordinance) effective March 31, 1998.

32. The balance of subordinated debt included in Borrowed money is 3,050,790 million yen.

33. The balance of subordinated bonds included in Bonds is 625,854 million yen.

34. Outline of stock options in accordance with Article 280-19-1 of the Commercial Code (before the amendment) that are granted to directors and employees is as follows:

(1) Stock option that was granted at July 31, 1998

Type of share	Common stock
Number of shares issued	296,000 shares
Issue price of new shares (Exercise price)	1,432 yen per share

(2) Stock option that was granted at July 30, 1999

Type of share	Common stock
Number of shares issued	393,000 shares
Issue price of new shares (Exercise price)	1,628 yen per share

(3) Stock option that was granted at July 31, 2000

Type of share	Common stock
Number of shares issued	353,000 shares
Issue price of new shares (Exercise price)	1,361 yen per share

(4) Stock option that was granted at July 31, 2001

Type of share	Common stock
Number of shares issued	1,149,000 shares
Issue price of new shares (Exercise price)	1,035 yen per share

Outline of stock options in accordance with Article 280-19-1 of the Commercial Code (before the amendment) that were succeeded from The Sakura Bank, Limited and that had been granted to directors and employees is as follows:

(1) Stock option that was granted at August 23, 1999

Type of share	Common stock
Number of shares issued	167,400 shares
Issue price of new shares (Exercise price)	1,124 yen per share

- (2) Stock option that was granted at July 25, 2000
 Type of share Common stock
 Number of shares issued 174,600 shares
 Issue price of new shares (Exercise price) 1,287 yen per share

35. Net loss per share is 59.20 yen.

36. Market value and unrealized gains (losses) on securities are shown as below:

These amounts include 'Japanese government bonds,' 'Japanese local government bonds,' 'Corporate bonds,' 'Stocks,' 'Other securities,' negotiable certificates of deposit bought within 'Due from banks,' 'Trading securities,' negotiable certificates of deposit bought and commercial paper within 'Other trading assets', and commercial paper and beneficiary claim on loan trust within 'Debt purchased.' This definition is applied up to Note 39.

(1) Securities classified as trading

	(Millions of yen)
Balance sheet amount	873,583
Gains included in profit/loss during this fiscal year	265

(2) Bonds classified as held-to-maturity that have market value

	(Millions of yen)				
	Balance sheet amount	Market Value	Net unrealized gains (losses)	Gains	Losses
Japanese government bonds	100,968	101,400	431	431	-
Other	26,992	27,708	715	734	19
Total	127,961	129,108	1,146	1,165	19

(3) Investments in subsidiaries or affiliates that have market value

	(Millions of yen)		
	Balance sheet amount	Market value	Net unrealized gains (losses)
Stocks of subsidiaries	104,003	101,413	(2,589)
Stocks of affiliates	8,485	10,974	2,488
Total	112,488	112,387	(101)

(4) *Other securities* that have market value

	(Millions of yen)				
	Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Gains	Losses
Stocks	5,234,755	4,733,857	(500,897)	180,943	681,841
Bonds	10,517,923	10,555,706	37,783	55,597	17,814
Japanese government bonds	9,463,294	9,498,141	34,847	39,207	4,360
Japanese local government bonds	421,315	429,412	8,097	9,764	1,667
Corporate bonds	633,314	628,153	(5,161)	6,625	11,786
Other	2,775,933	2,757,392	(18,540)	7,696	26,236
Change of purpose of holding	-	-	61	61	-
Total	18,528,611	18,046,957	(481,593)	244,299	725,892

The sum (losses of 295,601 million yen) of Net unrealized losses shown above and deferred tax assets of 185,991 million yen, is included in 'Net unrealized losses on *other securities*.'

Other securities with market value, whose market value extremely declines as compared with its acquisition cost, are, in principle, considered that their market value will not recover to the acquisition cost. The market value is recognized as the balance sheet amount and the valuation loss is charged off (impaired) for the current fiscal year. The amount of impairment for this fiscal year is 97,140 million yen. The rule to determine that market value 'extremely declines' is regulated by the classification of securities' issuers based on the self-assessment of assets as follows:

Bankrupt/ Effectively bankrupt/ Potentially bankrupt issuers	Market value is lower than acquisition cost
Issuers requiring caution	Market value has decreased 30% or more of the acquisition cost
Normal issuers	Market value has decreased 50% or more of the acquisition cost
Bankrupt issuers: issuers that are legally bankrupt or formally declared bankrupt	
Effectively bankrupt issuers: issuers that are not legally bankrupt but regarded as substantially bankrupt	
Potentially bankrupt issuers: issuers that are not bankrupt now, but are perceived to have a high risk of falling into bankruptcy	
Issuers requiring caution: issuers that are identified for close monitoring	
Normal issuers: issuers excluding Bankrupt/ Effectively bankrupt/ Potentially bankrupt issuers and Issuers requiring caution	

37. The amount of *other securities* sold during this fiscal year is as follows:

(Millions of yen)		
Sales amount	Gains on sales	Losses on sales
31,513,898	174,190	90,314

38. Summary information on securities that have no market value is shown as follows:

(Millions of yen)	
Balance sheet amount	
Bonds classified as held-to-maturity	
Unlisted foreign securities	3,384
Investments in subsidiaries or affiliates	
Stocks of subsidiaries	894,584
Stocks of affiliates	177,502
Other	16,507
<i>Other securities</i>	
Unlisted bonds	555,408
Unlisted foreign securities	347,654
Unlisted stocks (excluding OTC stocks)	143,314
Other	112,197

39. Redemption schedule on *other securities* that have maturities and bonds classified as held-to-maturity is shown as follows:

(Millions of yen)				
	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years
Bonds	2,268,355	6,927,429	1,813,599	202,700
Japanese government bonds	2,155,760	6,006,279	1,236,840	200,230
Japanese local government bonds	25,433	110,409	292,998	570
Japanese corporate bonds	87,161	810,740	283,760	1,900
Other	311,056	1,948,876	126,360	510,543
Total	2,579,411	8,876,305	1,939,960	713,243

40. Information on money held in trust is shown as follows:

Money held in trust classified as trading

(Millions of yen)	
Balance sheet amount	3,715
Gains included in profit/loss during this fiscal year	–

Other money held in trust

(Millions of yen)				
Acquisition cost	Balance sheet amount	Net unrealized gains (losses)	Gains	Losses
33,968	30,142	(3,825)	135	3,960

'Net unrealized losses on *other securities*' include the total amount of (2,348) million yen, which is consisted of the net unrealized losses shown above of (3,825) million yen and deferred tax assets of 1,477 million yen.

41. 'Japanese Government Bonds' include 999 million yen of unsecured loaned securities for which borrowers have rights of sale or pledge. 'Japanese Government Bonds' include 827 million yen of loaned securities for which borrowers have rights of pledge but no rights of sale.

As for the unsecured borrowed securities for which the Bank have rights of sale or pledge and the securities which the Bank purchased under resale agreements, that are permitted to sell or pledge without restrictions, 3,193,191 million yen of securities are pledged, 507,010 million yen of securities are held in hand as of the balance sheet date. The Bank may pledge the borrowed securities as well.

Unsecured loaned securities and securities under repurchase agreements were recognized as 'Securities in custody' and 'Trading account securities borrowed' or 'Securities borrowed' by the same amounts. From this fiscal year, they are not reported on the balance sheet in accordance with the revision of the accounting standards for financial instruments. Consequently, 'Securities in custody,' 'Trading account securities borrowed' and 'Securities borrowed' decreased by 3,098,200 million yen, 164,100 million yen and 2,934,100 million yen respectively as compared with the former manner.

42. Commitment line contracts on overdrafts and loans are agreements to lend to customers when they apply for borrowing, to the prescribed amount as long as there is no violation of any condition established in the contracts. The amount of unused commitments upon is 23,565,257 million yen, and the amount of unused commitments whose original contract terms are within one year or unconditionally cancelable at any time is 21,097,495 million yen. Since many of these commitments are expected to expire without being drawn upon, the total amount of unused commitments does not necessarily represent actual future cash flow requirements. Many of these commitments have clauses that the Bank can reject the application from customers or reduce the contract amounts in case economic conditions are changed, the Bank needs to secure claims and others occur. In addition, the Bank requests the customers to pledge collateral such as premises and securities at conclusion of the contracts, and takes necessary measures such as grasping customers' financial positions, revising contracts when need arises and securing claims after conclusion of the contracts.

43. Reserve for employee retirement benefits as of this fiscal year-end and pension assets in trust (excluding unrecognized actuarial net gains (losses)) that were deducted from reserve for employee retirement benefits are shown as follows:

	(Millions of yen)		
	Lump-sum Payment Plan	Employee Pension Fund	Total
Reserve for employee retirement benefits (before deducting Pension assets in trust)	(117,936)	(151,545)	(269,481)
Pension assets (excluding unrecognized actuarial net gain (loss))	94,611	58,015	152,627
Reserve for employee retirement benefits (after deducting Pension assets in trust)	(23,324)	(93,530)	(116,854)

Information on projected benefit obligation and others at this fiscal year-end is shown as follows:

	(Millions of yen)
Projected benefit obligation	(1,070,564)
Pension assets (fair value)	730,307
Unfunded projected benefit obligation	(340,256)
Unrecognized net transition obligation	60,502
Unrecognized net actuarial differences	221,954
Unrecognized prior service cost (net)	(59,055)
Net amount recorded on the balance sheet	(116,854)

44. Pursuant to the Article 289-2 of the Commercial Code and the Article 18-2 of the Banking Law, the Bank transferred legal reserves to retained earnings during this fiscal year. Consequently, Capital surplus and Earned surplus reserve decreased by 357,614 million yen and 241,421 million yen respectively, and 'Earnings due to decrease of capital surplus' in Other retained earnings and Unappropriated profit at end of year increased by 357,614 million yen and 241,421 million yen respectively.
45. Treasury stock was formerly included in 'Stocks.' From this fiscal year, Treasury stock is reported at the bottom of stockholders' equity and deducts stockholders' equity in pursuant to the amendment of the disclosure form due to issuance of 'the Partial Revision of the Enforcement Ordinance for the Banking Law' on April 19, 2002. Consequently, total assets and stockholders' equity decreased by 283 million yen respectively as compared with the former manner.
46. In accordance with the application of accounting standards for financial instruments, from this fiscal year 'Net unrealized losses on *other securities*' is reported by the amount of valuation losses, net of taxes, which is arising from evaluating *other securities* and other money held in trust at the fair value. Consequently, the total amount of 'Japanese government bonds,' 'Japanese local government bonds,' 'Corporate bonds,' 'Other securities,' beneficiary certificates of

trust for loan receivables in 'Debt purchased' and 'Money held in trust' decreased by 485,418 million yen and (297,950) million yen of 'Net unrealized losses on *other securities*' is reported on the balance sheet.

47. With the implementation of the "Metropolitan ordinance regarding the imposition of enterprise taxes through external standards taxation on banks in Tokyo" (Tokyo Metropolitan Ordinance No.145, April 1, 2000) ('the metropolitan ordinance'), enterprise taxes which were hitherto levied on income are now levied on gross banking profit.

On October 18, 2000 the Bank filed a lawsuit with the Tokyo District Court against the Tokyo metropolitan government and the Governor of Tokyo seeking to void the metropolitan ordinance. The Bank won the case eventually entirely on March 26, 2002 with a decision of the Tokyo District Court in the Bank's favor, on the grounds that the metropolitan ordinance was illegal. The District Court ordered the metropolitan government to return to the Bank advance tax payments of 16,633 million yen and also awarded to the Bank damages of 200 million yen. On March 29, 2002 the metropolitan government lodged an appeal with the Tokyo High Court against the decision.

It is the opinion of the Bank that the metropolitan ordinance is both unconstitutional and illegal. The Bank has asserted this opinion in the courts and the matter is still in litigation. The fact that during this fiscal year the Bank has applied the same treatment as in the previous year, accounting for enterprise taxes through external standards taxation on banks in Tokyo in accordance with the metropolitan ordinance, is because the Bank has deemed it appropriate at this stage to continue with the same accounting treatment as before. This accounting treatment does not constitute in any way an admission on the part of the Bank either of the constitutionality or of the legality of the metropolitan ordinance.

With the implementation of the metropolitan ordinance, enterprise taxes relating to banks in Tokyo were recorded in 'Other expenses' in the amounts of 8,100 million yen (16,833 million yen if the amount that Sakura Bank recorded for the year ended March 31, 2001 is added) in the previous year, and 19,862 million yen this year. As a result, Operating income for the previous year decreased and Operating loss for this year increased by the corresponding amount as compared with the previous standards under which enterprise taxes were levied on income. There is no impact on Current income tax expenses as compared with the previous standards under which enterprise taxes were levied on income. Consequently, stockholders' equity decreased by 21,694 million yen. Since the enterprise taxes in question are not included in the calculations for accounting for tax effects there was a decrease in Deferred tax assets of 96,904 million yen as compared with the amount that it would have been had the enterprise taxes been levied on income instead of gross profits. There was also a decrease in 'Deferred tax liabilities for land revaluation' of 3,694 million yen, and consequently stockholders' equity decreased by 93,209 million yen.

With the implementation of the 'Municipal Ordinance regarding the imposition of enterprise taxes through external standards taxation on banks in Osaka' (Osaka Municipal Ordinance No.131, June 9, 2000) ('the municipal ordinance'), enterprise taxes which were hitherto levied on income are now levied on gross banking profit.

On April 4, 2002, the Bank filed a lawsuit with the Osaka District Court against the Osaka municipal government and the Governor of Osaka seeking to void the municipal ordinance.

It is the opinion of the Bank that the municipal ordinance is both unconstitutional and illegal. The Bank has asserted this opinion in the Osaka District Court and the matter is still in litigation. The fact that during this year the Bank has applied the accounting treatment for enterprise taxes through external standards taxation on banks in Osaka in accordance with the municipal ordinance, is because the Bank has deemed it appropriate at this stage to apply the same accounting treatment to Osaka as to Tokyo. This accounting treatment does not constitute in any way an admission on the part of the Bank either of the constitutionality or of the legality of the municipal ordinance.

With the implementation of the municipal ordinance, enterprise taxes relating to banks in Osaka were recorded in 'Other expenses' in the amounts of 10,137 million yen. As a result, Operating loss for this year increased by the same amount as compared with the previous standards under which enterprise taxes were levied on income. There is no impact on Current income tax expenses as compared with the previous standards under which enterprise taxes were levied on income. Consequently, stockholders' equity decreased by 5,478 million yen. Since the enterprise taxes in question are not included in the calculations for accounting for tax effects there was a decrease in Deferred tax assets of 46,631 million yen as compared with the amount that it would have been had the enterprise taxes been levied on income instead of gross profits. There was also a decrease in Deferred tax liabilities for land revaluation of 1,798 million yen, and consequently stockholders' equity decreased by 44,833 million yen.

NONCONSOLIDATED STATEMENT OF INCOME

Year ended March 31, 2002

(Millions of yen)

Operating income		2,791,405
Interest income	2,192,961	
Interest on loans and discounts	1,256,848	
Interest and dividends on securities	504,732	
Interest on call loans	4,432	
Interest on receivables under resale agreements	1,781	
Interest on bills bought	27	
Interest on deposits with banks	185,085	
Interest on interest rate swaps	173,443	
Other interest income	66,611	
Fees and commissions	239,645	
Fees and commissions on domestic and foreign exchanges	100,509	
Other fees and commissions	139,135	
Trading profits	121,414	
Gains on trading-related financial derivatives	120,302	
Other trading income	1,112	
Other operating income	150,886	
Gains on foreign exchanges	10,439	
Gains on sales of bonds	124,773	
Gains on financial derivatives	15,110	
Other	562	
Other income	86,498	
Gains on sales of stocks	54,196	
Gains on money held in trust	1,810	
Other	30,490	
	<hr/>	
Operating expenses		3,313,512
Interest expenses	716,677	
Interest on deposits	323,249	
Interest on negotiable certificates of deposit	14,430	
Interest on call money	8,807	
Interest on payables under repurchase agreements	17,379	
Interest on bills sold	1,253	
Interest on commercial paper	970	
Interest on borrowed money	136,900	
Interest on straight bonds	31,187	
Amortization of discount on bonds	50	
Interest on convertible bonds	97	
Other interest expenses	182,350	
Fees and commissions	74,373	
Fees and commissions on domestic and foreign exchanges	20,634	
Other fees and commissions	53,738	
Trading losses	125	
Losses on trading securities	107	
Losses on securities related to trading transactions	17	
Other operating expenses	60,445	
Losses on sales of bonds	50,522	
Losses on redemption of bonds	1,985	
Losses on devaluation of bonds	5,704	
Amortization of deferred bond cost	2,161	
Other	71	
General and administrative expenses	696,775	
Other expenses	1,765,115	
Transfer to reserve for possible loan losses	1,158,947	
Write-offs of loans	283,895	
Transfer to reserve for possible losses on loans sold	37,034	
Losses on sales of stocks	54,300	
Losses on devaluation of stocks	130,585	
Losses on money held in trust	1,867	
Other	98,485	
	<hr/>	
Operating loss		522,106
Extraordinary gains		26,783
Gains on disposition of premises and equipment	4,360	
Collection of written-off claims	258	
Other extraordinary gains	22,164	
	<hr/>	
Extraordinary losses		41,314
Losses on disposition of premises and equipment	18,562	
Other extraordinary losses	22,752	
	<hr/>	
Loss before income taxes		536,637
Income taxes, Current		32,737
Deferred		(246,522)
		<hr/>
Net loss		322,852
Unappropriated profit brought forward		68,994
Unappropriated profit inherited due to merger		114,169
Transfer from land revaluation excess		59,967
Transfer from earned surplus reserve		241,421
Unappropriated profit at end of year		<hr/> <hr/> 161,699

Notes to Nonconsolidated Statement of Income
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1. Amounts less than one million yen have been omitted.
2. Income on transactions with subsidiaries amounts to 257,748 million yen.
Expenses on transactions with subsidiaries amount to 197,053 million yen.
3. Trading profits and trading losses are recognized on a contract date basis, and include interest received/paid, the amount of change in valuation gains (losses) for securities, monetary claims and derivatives as of the term end date compared with that at the end of the previous term. The amounts of change of valuation gains (losses) for derivatives are measured using the estimated settlement price assuming settlement in cash at the year-end date.
4. 'Other' in Other income includes gains on establishment of retirement benefit trust of 7,715 million yen.
5. Other extraordinary gains represent dividends on liquidation of a subsidiary.
6. Other extraordinary losses represent amortized cost of unrecognized net obligation from initial application of the new accounting standard for employee retirement benefits in Japan of 20,167 million yen and losses on disposals of software of 2,584 million yen.

**NONCONSOLIDATED STATEMENT OF APPROPRIATION OF PROFIT
(PROPOSAL)**

Year ended March 31, 2002	(Yen)
Unappropriated profit at end of year	161,699,569,643
Transfer from voluntary reserves	12,145,600
Transfer from reserve for losses on overseas investments	12,145,600
Total	161,711,715,243
Profit to be appropriated	37,349,565,924
Dividends on preferred stock (first series type 1) (10.50 yen per share)	703,500,000
Dividends on preferred stock (second series type 1) (28.50 yen per share)	2,850,000,000
Dividends on preferred stock (type 5) (13.70 yen per share)	10,960,000,000
Dividends on common stock (4.00 yen per share)	22,835,959,344
Transfer to voluntary reserves	106,580
Transfer to reserve for losses on overseas investments	106,580
Profit carried forward to next year	124,362,149,319

COMPARATIVE NONCONSOLIDATED BALANCE SHEETS

	March 31		(Millions of yen)
	2002	2001	Difference
	(A)	(B)	(A) – (B)
Assets:			
Cash and due from banks	5,458,430	7,269,030	(1,810,600)
Call loans	620,406	211,968	408,438
Receivables under resale agreements	432,730	2,597,816	(2,165,086)
Commercial paper and other debt purchased	146,650	80,459	66,191
Trading assets	2,705,648	2,408,485	297,163
Money held in trust	33,858	75,120	(41,262)
Securities	20,442,996	27,059,978	(6,616,982)
Loans and bills discounted	59,928,368	61,747,880	(1,819,512)
Foreign exchanges	779,142	723,498	55,644
Other assets	5,344,106	4,409,648	934,458
Premises and equipment	890,981	871,749	19,232
Deferred tax assets	1,741,114	1,074,671	666,443
Customers' liabilities for acceptances and guarantees	5,529,996	6,293,027	(763,031)
Reserve for possible loan losses	(1,971,849)	(1,095,841)	(876,008)
Total assets	<u>102,082,581</u>	<u>113,727,498</u>	<u>(11,644,917)</u>
Liabilities:			
Deposits	61,051,813	59,041,313	2,010,500
Negotiable certificates of deposit	6,577,539	11,688,459	(5,110,920)
Call money	3,883,991	5,898,509	(2,014,518)
Payables under repurchase agreements	1,100,446	4,857,211	(3,756,765)
Bills sold	6,868,800	4,032,500	2,836,300
Commercial paper	1,001,000	1,637,200	(636,200)
Trading liabilities	1,797,086	1,180,506	616,580
Borrowed money	3,406,286	3,985,126	(578,840)
Foreign exchanges	300,162	250,712	49,450
Bonds	2,133,754	1,470,607	663,147
Convertible bonds	1,106	101,106	(100,000)
Other liabilities	4,962,176	8,809,198	(3,847,022)
Reserve for employee bonuses	11,342	–	11,342
Reserve for employee retirement benefits	116,854	14,054	102,800
Reserve for possible losses on loans sold	80,576	137,972	(57,396)
Other reserves	18	17	1
Deferred tax liabilities for land revaluation	63,137	130,030	(66,893)
Acceptances and guarantees	5,529,996	6,293,027	(763,031)
Total liabilities	<u>98,886,088</u>	<u>109,527,559</u>	<u>(10,641,471)</u>
Stockholders' equity:			
Capital stock	1,326,746	1,795,554	(468,808)
Legal reserves	1,326,758	1,781,722	(454,964)
Land revaluation excess	100,346	209,583	(109,237)
Retained earnings	740,874	413,077	327,797
Voluntary reserves	221,560	221,563	(3)
Unappropriated profit at end of year	161,699	191,513	(29,814)
Net income (loss)	(322,852)	137,835	(460,687)
Other retained earnings	357,614	–	357,614
Net unrealized losses on other securities	(297,950)	–	(297,950)
Treasury stock	(283)	–	(283)
Total stockholders' equity	<u>3,196,492</u>	<u>4,199,937</u>	<u>(1,003,445)</u>
Total liabilities and stockholders' equity	<u>102,082,581</u>	<u>113,727,498</u>	<u>(11,644,917)</u>

(Notes) 1. Amounts of less than one million yen have been omitted.

2. Amounts as of March 31, 2001 are prepared for Sakura Bank and Sumitomo Bank on a combined basis.

COMPARATIVE NONCONSOLIDATED STATEMENT OF INCOME

	(Millions of yen)		
	Year ended March 31		
	2002	2001	Difference
	(A)	(B)	(A) – (B)
Operating income	2,791,405	3,289,556	(498,151)
Interest income	2,192,961	2,275,679	(82,718)
Interest on loans and discounts	1,256,848	1,501,144	(244,296)
Interest and dividends on securities	504,732	348,176	156,556
Fees and commissions	239,645	231,780	7,865
Trading profits	121,414	95,385	26,029
Other operating income	150,886	73,476	77,410
Other income	86,498	613,233	(526,735)
Operating expenses	3,313,512	2,930,388	383,124
Interest expenses	716,677	1,035,641	(318,964)
Interest on deposits	323,249	601,538	(278,289)
Fees and commissions	74,373	81,087	(6,714)
Trading losses	125	–	125
Other operating expenses	60,445	57,082	3,363
General and administrative expenses	696,775	711,987	(15,212)
Other expenses	1,765,115	1,044,585	720,530
Operating profit (loss)	(522,106)	359,167	(881,273)
Extraordinary gains	26,783	3,112	23,671
Extraordinary losses	41,314	89,169	(47,855)
Income before income taxes	(536,637)	273,111	(809,748)
Income taxes, Current	32,737	9,526	23,211
Deferred	(246,522)	125,747	(372,269)
Net income (loss)	(322,852)	137,835	(460,687)
Unappropriated profit brought forward	68,994	94,554	(25,560)
Unappropriated profit inherited due to merger	114,169	–	114,169
Transfer from land revaluation excess	59,967	11,839	48,128
Transfer from earned surplus reserve	241,421	–	241,421
Interim dividends	–	29,052	(29,052)
Transfer to earned surplus reserve	–	5,809	(5,809)
Delivered money due to merger	–	17,853	(17,853)
Unappropriated profit at end of year	<u>161,699</u>	<u>191,513</u>	<u>(29,814)</u>

(Notes) 1. Amounts of less than one million yen have been omitted.

2. Amounts for the year ended March 31, 2001 are prepared for Sakura Bank and Sumitomo Bank on a combined basis.

**COMPARATIVE NONCONSOLIDATED STATEMENTS OF APPROPRIATION
FOR YEAR ENDED MARCH 31, 2002 (PROPOSAL) AND MARCH 31, 2001**

(Millions of yen)

	Year ended March 31		
	2002	2001	Difference
	(A)	(B)	(A) – (B)
Unappropriated profit at end of year	161,699	82,490	79,209
Transfer from voluntary reserves	12	4	8
Transfer from reserve for losses on overseas investments	12	4	8
Total	161,711	82,494	79,217
Profit to be appropriated	37,349	13,500	23,849
Transfer to earned surplus reserve	–	2,300	(2,300)
Dividends on preferred share (first series type 1)	703	351	352
Dividends on preferred share (second series type 1)	2,850	1,425	1,425
Dividends on preferred share (type 5)	10,960	–	10,960
Dividends on common share	22,835	9,423	13,412
Transfer to voluntary reserves	0	0	0
Transfer to reserve for losses on overseas investments	0	0	0
Profit brought forward to next year	124,362	68,994	55,368

(Notes) 1. Amounts less than one million yen have been omitted.

2. Sakura Bank merged with Sumitomo Bank on April 1, 2001 as a merger date. Sakura Bank was dissolved and its profit for the fiscal year ended March 31, 2001 was not appropriated.

Therefore, amounts for the year ended March 31, 2001 are Sumitomo Bank's.