

9. ROE

<SMBC Non-consolidated>

(%)

	FY2002		FY2001	
		Change	Former SMBC	Former Wakashio Bank
ROE (numerator: Banking profit*)	76.0	/	53.6	15.2
ROE (numerator: Banking profit)	59.5		30.5	14.7
ROE (numerator: Net income)	(34.1)		(15.5)	0.0

*Excluding transfer to general reserve for possible loan losses

<Consolidated>

(%)

	FY2002		FY2001
		Change	
ROE (numerator: Net income)	(43.0)	(20.8)	(22.2)

$$\text{ROE} = \frac{\text{Net income} - \text{Dividends on preferred stocks}}{\frac{\{(\text{Stockholders' equity at the beginning of the term}) - (\text{Number of preferred stocks at the beginning of the term}) \times (\text{Issue price}) + (\text{Stockholders' equity at the end of the term}) - (\text{Number of preferred stocks at the end of the term}) \times (\text{Issue price})\}}{2}} \times 100$$

(%)

	FY2002		FY2001
		Change	
Fully-diluted ROE (numerator: Net income)	(17.4)	(3.7)	(13.7)

(Note) Fully-diluted basis, including convertible preferred stocks and mandatorily exchangeable subordinated notes