

Financial Highlights for the Six Months ended September 30, 2004

1. Income Analysis

<SMBC Non-consolidated>

(Millions of yen)

		Six months ended		Six months ended Sep. 30, 2003
		Sep. 30, 2004	Change	
Gross banking profit	1	762,716	(32,623)	795,339
Excluding gains (losses) on bonds	2	736,053	(40,514)	776,567
Gross domestic profit	3	590,117	31,150	558,967
Excluding gains (losses) on bonds	4	570,218	13,638	556,580
Net interest income	5	462,433	(19,255)	481,688
Trust fees	6	728	644	84
Net fees and commissions	7	100,551	22,374	78,177
Net trading income	8	725	2,588	(1,863)
Net other operating income	9	25,678	24,798	880
Gains (losses) on bonds	10	19,899	17,513	2,386
Gross international profit	11	172,598	(63,773)	236,371
Excluding gains (losses) on bonds	12	165,834	(54,152)	219,986
Net interest income	13	28,435	(58,473)	86,908
Net fees and commissions	14	26,470	5,318	21,152
Net trading income	15	20,424	(131,264)	151,688
Net other operating income	16	97,268	120,645	(23,377)
Gains (losses) on bonds	17	6,764	(9,621)	16,385
Expenses (excluding non-recurring losses)	18	(291,136)	4,894	(296,030)
Personnel expenses	19	(104,320)	9,647	(113,967)
Non-personnel expenses	20	(168,549)	(1,852)	(166,697)
Taxes	21	(18,266)	(2,901)	(15,365)
Banking profit (excluding transfer to general reserve for possible loan losses)	22	471,580	(27,728)	499,308
Excluding gains (losses) on bonds	23	444,917	(35,619)	480,536
Transfer to general reserve for possible loan losses	24	349,734	349,734	-
Banking profit	25	821,314	322,006	499,308
Gains (losses) on bonds	26	26,663	7,892	18,771
Non-recurring gains (losses)	27	(696,116)	(301,983)	(394,133)
Credit related costs	28	(805,505)	(431,908)	(373,597)
Write-off of loans	29	(348,769)	(10,868)	(337,901)
Transfer to specific reserve for possible loan losses	30	(403,866)	(403,866)	-
Losses on loans sold to CCPC	31		740	(740)
Losses on delinquent loans sold	32	(55,707)	(20,752)	(34,955)
Transfer to loan loss reserve for specific overseas countries	33	2,838	2,838	-
Gains (losses) on stocks	34	44,819	26,036	18,783
Gains on sale of stocks	35	60,005	9,095	50,910
Losses on sale of stocks	36	(434)	24,286	(24,720)
Losses on devaluation of stocks	37	(14,751)	(7,345)	(7,406)
Other non-recurring gains (losses)	38	64,570	103,889	(39,319)
Ordinary profit	39	125,198	20,023	105,175
Extraordinary gains (losses)	40	(12,127)	(49,940)	37,813
Gains (losses) on disposal of premises and equipment	41	(3,991)	2,413	(6,404)
Gains on disposal of premises and equipment	42	627	245	382
Losses on disposal of premises and equipment	43	(4,619)	2,168	(6,787)
Amortization of net transition obligation from initial application of the new accounting standard for employee retirement benefits	44	(8,000)	2,083	(10,083)
Reversal of loan loss reserves	45	-	(13,787)	13,787
Transfer to specific reserve for possible loan losses	46	-	217,330	(217,330)
Reversal of general reserve for possible loan losses	47	-	(229,089)	229,089
Reversal of loan loss reserve for specific overseas countries	48	-	(2,028)	2,028
Reversal of reserve for losses on loans sold	49		(393)	393
Refund of enterprise tax from Tokyo Government and interest on the refund	50		(40,333)	40,333
Income before income taxes	51	113,070	(29,918)	142,988
Income taxes, current	52	(1,645)	10,928	(12,573)
Income taxes, refund	53	7,405	7,405	-
Income taxes, deferred	54	(276)	(9,520)	9,244
Net income	55	118,554	(21,105)	139,659
Total credit cost (24+28+45+49)	56	(455,771)	(96,356)	(359,415)

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

<Consolidated>

(Millions of yen)

		Six months ended Sep. 30, 2004		Six months ended Sep. 30, 2003
		Change		
Consolidated gross profit	1	1,019,955	(29,166)	1,049,121
Net interest income	2	595,790	(67,447)	663,237
Trust fees	3	729	645	84
Net fees and commissions	4	235,379	40,189	195,190
Net trading income	5	30,322	(133,582)	163,904
Net other operating income	6	157,732	131,028	26,704
General and administrative expenses	7	(423,612)	24,482	(448,094)
Credit related costs	8	(612,826)	(171,304)	(441,522)
Write-off of loans	9	(391,236)	(2,312)	(388,924)
Transfer to specific reserve for possible loan losses	10	(408,321)	(163,461)	(244,860)
Transfer to general reserve for possible loan losses	11	240,215	11,913	228,302
Other credit cost	12	(53,482)	(17,441)	(36,041)
Gains (losses) on stocks	13	48,817	28,213	20,604
Equity in earnings of affiliates	14	12,893	4,849	8,044
Other income (expenses)	15	68,873	91,517	(22,644)
Ordinary profit	16	114,100	(51,408)	165,508
Extraordinary gains (losses)	17	(17,385)	(38,756)	21,371
Income before income taxes and minority interests	18	96,715	(90,165)	186,880
Income taxes, current	19	(17,079)	5,357	(22,436)
Income taxes, refund	20	8,104	8,104	-
Income taxes, deferred	21	(5,277)	(10,414)	5,137
Minority interests in net income	22	(29,090)	(3,003)	(26,087)
Net income	23	53,372	(90,120)	143,492

(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	24	544.9	12.2	532.7
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(Note) Consolidated net business profit = (SMBC Non-consolidated banking profit (excluding transfer to 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, 2004	Change	Mar. 31, 2004
Consolidated subsidiaries	25	166	1	165
Affiliated companies accounted for by equity method	26	50	2	48