

9. ROE

<SMBC Non-consolidated>

(%)

	Six months ended Sep. 30, 2004			FY2003	Six months ended Sep. 30, 2003
	(a)	(a) - (b)	(a) - (c)		
ROE (numerator: Banking profit*)	58.3	(19.1)	(28.7)	77.4	87.0
ROE (numerator: Banking profit)	101.5	24.1	14.5	77.4	87.0
ROE (numerator: Net income)	14.7	(7.8)	(9.6)	22.5	24.3

*Excluding transfer to general reserve for possible loan losses

<Consolidated>

(%)

	Six months ended Sep. 30, 2004			FY2003	Six months ended Sep. 30, 2003
	(a)	(a) - (b)	(a) - (c)		
ROE (numerator: Net income)	7.9	(23.8)	(28.4)	31.7	36.3

$$\begin{aligned}
 \text{(Note) ROE} = & \frac{(\text{Net income} - \text{Dividends on preferred stocks}) \times (\text{number of days in a year}) / (\text{number of days in the six-month period})}{\{(\text{Stockholders' equity at the beginning of the term}) - (\text{Number of preferred stocks at the beginning of the term}) \times (\text{Issue price}) + \\
 & (\text{Stockholders' equity at the end of the term}) - (\text{Number of preferred stocks at the end of the term}) \times (\text{Issue price})\} / 2} \times 100
 \end{aligned}$$

(%)

	Six months ended Sep. 30, 2004			FY2003	Six months ended Sep. 30, 2003
	(a)	(a) - (b)	(a) - (c)		
Fully-diluted ROE (numerator: Net income)	3.5	(8.5)	(7.6)	12.0	11.1

(Note) Fully-diluted basis: Common stock + Convertible preferred stock