

Consolidated Statement of Cash Flows

Sumitomo Mitsui Banking Corporation and Subsidiaries

Year ended March 31, 2002	Millions of yen	Millions of U.S. dollars (Note 1)
1. Cash flows from operating activities:		
Loss before income taxes and minority interests	¥ (604,338)	\$ (4,535)
Depreciation of premises, equipment and others	96,374	723
Depreciation of lease assets	306,044	2,297
Amortization of goodwill	4,806	36
Equity in earnings of affiliates	(2,964)	(22)
Net change in reserve for possible loan losses	884,174	6,635
Net change in reserve for possible losses on loans sold	(58,895)	(442)
Net change in reserve for employee bonuses	21,606	162
Net change in reserve for employee retirement benefits	(42,469)	(319)
Interest income	(2,176,685)	(16,335)
Interest expenses.....	726,901	5,455
Net gains on securities.....	(64,057)	(481)
Net loss from money held in trust	56	0
Net exchange gains	(160,717)	(1,206)
Net losses from disposition of premises and equipment.....	23,052	173
Net losses from disposition of lease assets	995	7
Gain on sale of business operation.....	(5,000)	(38)
Net change in trading assets	(757,328)	(5,684)
Net change in trading liabilities	1,030,514	7,734
Net change in loans and bills discounted.....	1,794,503	13,467
Net change in deposits	1,887,932	14,168
Net change in negotiable certificates of deposit	(4,989,141)	(37,442)
Net change in borrowed money (excluding subordinated debt).....	(456,519)	(3,426)
Net change in deposits with banks	2,018,942	15,152
Net change in call loans, bills bought and receivables under resale agreements	1,904,425	14,292
Net change in pledged money for securities borrowing transactions.....	(2,196,808)	(16,486)
Net change in call money, bills sold and payables under repurchase agreements	(3,020,667)	(22,669)
Net change in commercial paper	(569,827)	(4,276)
Net change in pledged money for securities lending transactions.....	(1,715,984)	(12,878)
Net change in foreign exchanges (assets).....	(56,299)	(422)
Net change in foreign exchanges (liabilities)	48,749	366
Issuance and redemption of bonds (excluding subordinated bonds).....	359,901	2,701
Interest received	2,342,208	17,578
Interest paid	(829,888)	(6,228)
Other, net	(1,070,901)	(8,037)
Subtotal.....	¥(5,327,304)	\$(39,980)
Income taxes paid.....	(54,205)	(407)
Net cash used in operating activities	¥(5,381,510)	\$(40,387)

(Continued)

	Millions of yen	Millions of U.S. dollars (Note 1)
2. Cash flows from investing activities:		
Purchases of securities.....	¥(39,722,661)	\$(298,106)
Proceeds from sale of securities.....	32,828,672	246,369
Proceeds from maturity of securities.....	12,828,207	96,272
Purchases of money held in trust.....	(5,011)	(38)
Proceeds from sale of money held in trust.....	42,663	320
Purchases of premises and equipment.....	(73,354)	(551)
Proceeds from sale of premises and equipment.....	134,704	1,011
Purchases of lease assets.....	(342,964)	(2,574)
Proceeds from sale of lease assets.....	37,736	283
Purchases of stock of subsidiaries.....	(599)	(4)
Proceeds from sale of stock of subsidiaries.....	416	3
Proceeds from sale of business operation.....	5,000	38
Net cash provided by investing activities.....	¥ 5,732,808	\$ 43,023
3. Cash flows from financing activities:		
Proceeds from issuance of subordinated debt.....	¥ 128,000	\$ 961
Repayment of subordinated debt.....	(278,000)	(2,086)
Proceeds from issuance of subordinated bonds, convertible bonds and notes.....	201,198	1,510
Repayment of subordinated bonds, convertible bonds and notes.....	(262,361)	(1,969)
Dividends paid.....	(11,101)	(83)
Payment of delivered money due to merger.....	(17,839)	(134)
Capital contributions from minority stockholders.....	9,000	67
Dividends paid to minority stockholders.....	(39,064)	(293)
Purchases of treasury stock.....	(8,539)	(64)
Proceeds from sale of treasury stock.....	8,286	62
Proceeds from sale of parent bank stocks held by subsidiaries.....	1,607	12
Net cash used in financing activities.....	¥ (268,813)	\$ (2,017)
4. Effect of exchange rate changes on cash and due from banks.....	3,595	27
5. Net change in cash and due from banks.....	¥ 86,079	\$ 646
6. Cash and due from banks at beginning of year.....	¥ 868,132	\$ 6,515
7. Change in cash and due from banks due to merger.....	1,075,527	8,072
8. Change in cash and due from banks due to merger of consolidated subsidiaries.....	2,544	19
9. Change in cash and due from banks due to newly consolidated subsidiaries.....	96,459	724
10. Cash and due from banks at end of year.....	¥ 2,128,742	\$ 15,976

See accompanying notes to consolidated financial statements.