

Income Analysis (Non-consolidated)

Sumitomo Mitsui Banking Corporation

Gross Banking Profit, Classified by Domestic and International Operations

Year ended March 31	Millions of yen					
	2019			2018		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Interest income	¥680,105	¥1,306,346	¥1,970,831	¥746,837	¥917,340	¥1,647,643
			[15,620]			[16,535]
Interest expenses	42,009	1,000,338	1,026,727	39,548	667,593	690,606
			[15,620]			[16,535]
Net interest income	638,096	306,008	944,104	707,288	249,747	957,036
Trust fees	2,191	58	2,250	2,001	37	2,038
Fees and commissions	325,593	198,973	524,566	336,037	176,111	512,149
Fees and commissions payments	132,234	50,131	182,365	135,292	47,027	182,319
Net fees and commissions	193,359	148,841	342,201	200,745	129,084	329,829
Trading income	556	45,951	46,507	632	58,765	59,398
Trading losses	—	3,305	3,305	—	—	—
Net trading income	556	42,646	43,202	632	58,765	59,398
Other operating income	23,802	85,871	109,674	24,956	77,925	101,955
Other operating expenses	8,490	37,356	45,846	5,691	17,569	22,334
Net other operating income	15,312	48,515	63,828	19,265	60,355	79,620
Gross banking profit	¥849,516	¥ 546,070	¥1,395,586	¥929,933	¥497,990	¥1,427,924
Gross banking profit rate (%)	1.22%	1.10%	1.20%	1.29%	1.08%	1.25%

- Notes: 1. Domestic operations include yen-denominated transactions by domestic branches, while international operations include foreign-currency-denominated transactions by domestic branches and operations by overseas branches. Yen-denominated nonresident transactions and Japan offshore banking accounts are included in international operations.
2. Figures in brackets [] indicate interest payments between domestic and international operations. Difference between sums of domestic and international operations and some figures in the total column due to indication on a net basis of interest from interest rate swaps and similar instruments, is included in figures in brackets [].
3. As net figures are shown for financial derivatives, figures in the total column of other operating income and other operating expenses are less than sums of domestic operations and international operations, respectively (¥925 million for the year ended March 31, 2018).
4. Gross banking profit rate = Gross banking profit / Average balance of interest-earning assets × 100

Average Balance, Interest and Average Rate of Interest-Earning Assets and Interest-Bearing Liabilities

Domestic Operations

Year ended March 31	Millions of yen					
	2019			2018		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets	¥ 69,584,790	¥680,105	0.97%	¥ 71,547,412	¥746,837	1.04%
	[2,777,146]	[15,620]		[3,581,209]	[16,535]	
Loans and bills discounted	48,779,204	453,649	0.93	49,225,499	476,702	0.96
Securities	12,664,232	174,918	1.38	14,915,999	217,089	1.45
Call loans	62,829	3	0.00	13,157	8	0.06
Receivables under resale agreements	2,570,984	(1,450)	(0.05)	0	(0)	(0.55)
Receivables under securities borrowing transactions	1,515,257	400	0.02	2,875,506	546	0.01
Bills bought	—	—	—	—	—	—
Deposits with banks	10,725	15	0.14	11,993	16	0.13
Interest-bearing liabilities	¥107,848,148	¥ 42,009	0.03%	¥106,977,341	¥ 39,548	0.03%
Deposits	90,417,718	7,115	0.00	85,721,254	7,931	0.00
Negotiable certificates of deposit	6,041,635	429	0.00	6,733,487	487	0.00
Call money	36,302	(27)	(0.07)	112,490	(84)	(0.07)
Payables under repurchase agreements	897,869	(1,364)	(0.15)	26,866	0	0.00
Payables under securities lending transactions	175,193	22	0.01	4,641,577	480	0.01
Borrowed money	8,555,317	27,706	0.32	7,790,072	19,933	0.25
Short-term bonds	—	—	—	—	—	—
Bonds	434,144	7,105	1.63	665,912	9,486	1.42

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2019, ¥42,195,891 million; 2018, ¥39,179,583 million).
2. Figures in brackets [] indicate the average balances of interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses. Difference between sums of domestic and international operations and some figures in the "Total of Domestic and International Operations" due to indication on a net basis of interest from interest rate swaps and similar instruments, is included in figures in brackets [].

International Operations

Year ended March 31	Millions of yen					
	2019			2018		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets.....	¥49,223,041	¥1,306,346	2.65%	¥46,049,661	¥917,340	1.99%
Loans and bills discounted.....	26,790,832	845,075	3.15	25,972,547	624,764	2.40
Securities.....	9,794,923	170,648	1.74	8,163,052	132,857	1.62
Call loans.....	1,593,638	(3,491)	(0.21)	1,401,904	(2,076)	(0.14)
Receivables under resale agreements.....	582,477	16,891	2.90	731,619	15,216	2.07
Receivables under securities borrowing transactions.....	122,858	358	0.29	110,750	322	0.29
Deposits with banks.....	6,386,681	108,377	1.69	5,910,956	70,381	1.19
Interest-bearing liabilities.....	¥48,831,825	¥1,000,338	2.04%	¥45,749,102	¥667,593	1.45%
	[2,777,146]	[15,620]		[3,581,209]	[16,535]	
Deposits.....	22,245,705	374,188	1.68	21,008,293	221,430	1.05
Negotiable certificates of deposit.....	5,781,018	133,339	2.30	5,642,513	83,747	1.48
Call money.....	1,044,194	15,445	1.47	1,039,930	8,200	0.78
Payables under repurchase agreements....	5,174,319	111,561	2.15	3,326,086	40,441	1.21
Payables under securities lending transactions.....	284,133	911	0.32	887,029	9,139	1.03
Borrowed money.....	5,747,523	176,571	3.07	5,012,948	142,519	2.84
Bonds.....	2,841,907	78,045	2.74	2,964,361	76,751	2.58

Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2019, ¥134,841 million; 2018, ¥139,390 million).

2. Figures in brackets [] indicate the average balances of interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses. Difference between sums of domestic and international operations and some figures in the "Total of Domestic and International Operations" due to indication on a net basis of interest from interest rate swaps and similar instruments, is included in figures in brackets [].

3. The average balance of foreign-currency-denominated transactions by domestic branches in international operations is calculated by the monthly current method, under which the TT middle rate at the end of the previous month is applied to nonexchange transactions of the month concerned.

Total of Domestic and International Operations

Year ended March 31	Millions of yen					
	2019			2018		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets.....	¥116,030,685	¥1,970,831	1.69%	¥114,015,864	¥1,647,643	1.44%
Loans and bills discounted.....	75,570,036	1,298,725	1.71	75,198,046	1,101,467	1.46
Securities.....	22,459,156	345,566	1.53	23,079,051	349,947	1.51
Call loans.....	1,656,467	(3,487)	(0.21)	1,415,062	(2,067)	(0.14)
Receivables under resale agreements.....	3,153,462	15,441	0.48	731,620	15,216	2.07
Receivables under securities borrowing transactions.....	1,638,115	759	0.04	2,986,256	868	0.02
Bills bought.....	—	—	—	—	—	—
Deposits with banks.....	6,397,407	108,392	1.69	5,922,949	70,398	1.18
Interest-bearing liabilities.....	¥153,902,827	¥1,026,727	0.66%	¥149,145,234	¥ 690,606	0.46%
Deposits.....	112,663,423	381,304	0.33	106,729,547	229,362	0.21
Negotiable certificates of deposit.....	11,822,654	133,768	1.13	12,376,001	84,235	0.68
Call money.....	1,080,496	15,418	1.42	1,152,420	8,115	0.70
Payables under repurchase agreements....	6,072,188	110,197	1.81	3,352,952	40,441	1.20
Payables under securities lending transactions.....	459,327	933	0.20	5,528,607	9,619	0.17
Borrowed money.....	14,302,840	204,277	1.42	12,803,020	162,453	1.26
Short-term bonds.....	—	—	—	—	—	—
Bonds.....	3,276,052	85,150	2.59	3,630,273	86,238	2.37

Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2019, ¥42,330,733 million; 2018, ¥39,318,973 million).

2. Figures in the table above indicate the net average balances of amounts adjusted for interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses.

Breakdown of Interest Income and Interest Expenses

Domestic Operations

	Millions of yen					
	2019			2018		
Year ended March 31	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥(20,093)	¥(46,638)	¥(66,731)	¥21,352	¥(222,635)	¥(201,283)
Loans and bills discounted.....	(4,289)	(18,762)	(23,052)	5,993	(34,922)	(28,929)
Securities.....	(31,523)	(10,648)	(42,171)	7,239	(177,549)	(170,309)
Call loans.....	2	(8)	(5)	4	(4)	(0)
Receivables under resale agreements.....	(1,450)	0	(1,450)	(0)	(0)	(0)
Receivables under securities borrowing transactions.....	(258)	112	(145)	91	(357)	(266)
Bills bought.....	—	—	—	—	—	—
Deposits with banks.....	(1)	0	(1)	2	7	9
Interest expenses.....	¥ 324	¥ 2,136	¥ 2,460	¥ 3,765	¥ (8,157)	¥ (4,391)
Deposits.....	369	(1,185)	(816)	541	(1,535)	(994)
Negotiable certificates of deposit.....	(49)	(9)	(58)	(20)	(635)	(655)
Call money.....	58	(1)	56	(60)	(17)	(78)
Payables under repurchase agreements....	(1,323)	(40)	(1,364)	(0)	(0)	(0)
Payables under securities lending transactions.....	(462)	4	(457)	164	(0)	163
Borrowed money.....	2,098	5,673	7,772	7,666	(6,293)	1,372
Short-term bonds.....	—	—	—	—	—	—
Bonds.....	(3,301)	920	(2,380)	(5,344)	887	(4,457)

International Operations

	Millions of yen					
	2019			2018		
Year ended March 31	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥66,823	¥322,182	¥389,006	¥73,001	¥138,439	¥211,441
Loans and bills discounted.....	20,246	200,064	220,311	40,457	68,916	109,374
Securities.....	27,943	9,848	37,791	13,267	18,693	31,961
Call loans.....	(420)	(994)	(1,414)	(673)	(1,214)	(1,887)
Receivables under resale agreements.....	(3,101)	4,777	1,675	2,659	3,001	5,661
Receivables under securities borrowing transactions.....	35	0	36	(6)	(20)	(27)
Deposits with banks.....	6,047	31,947	37,995	2,565	28,664	31,230
Interest expenses.....	¥47,582	¥285,163	¥332,745	¥54,280	¥142,171	¥196,452
Deposits.....	13,741	139,016	152,758	14,527	72,944	87,471
Negotiable certificates of deposit.....	2,104	47,487	49,591	(4,038)	24,381	20,343
Call money.....	33	7,212	7,245	317	1,044	1,361
Payables under repurchase agreements....	29,738	41,381	71,120	10,488	19,962	30,451
Payables under securities lending transactions.....	(4,086)	(4,141)	(8,228)	1,297	4,737	6,035
Commercial paper.....	4,789	17,423	22,213	(1,575)	1,019	(556)
Borrowed money.....	21,969	12,081	34,051	51,521	(4,709)	46,811
Bonds.....	(3,170)	4,463	1,293	(5,842)	6,258	416

Total of Domestic and International Operations

	Millions of yen					
	2019			2018		
Year ended March 31	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥ 29,583	¥293,604	¥323,188	¥ 88,844	¥ (76,975)	¥ 11,869
Loans and bills discounted.....	5,474	191,783	197,258	34,743	45,701	80,444
Securities.....	(9,399)	5,019	(4,380)	21,069	(159,417)	(138,347)
Call loans.....	(508)	(911)	(1,420)	(672)	(1,214)	(1,887)
Receivables under resale agreements.....	11,859	(11,633)	225	2,659	3,001	5,661
Receivables under securities borrowing transactions.....	(392)	282	(109)	139	(432)	(293)
Bills bought.....	—	—	—	—	—	—
Deposits with banks.....	6,019	31,974	37,993	2,581	28,658	31,239
Interest expenses.....	¥ 22,684	¥313,435	¥336,120	¥ 58,134	¥ 135,637	¥ 193,771
Deposits.....	13,398	138,543	151,942	11,958	74,518	86,477
Negotiable certificates of deposit.....	(3,766)	53,299	49,532	(2,539)	22,226	19,687
Call money.....	(506)	7,809	7,302	1,025	258	1,283
Payables under repurchase agreements....	43,000	26,755	69,755	10,276	20,175	30,451
Payables under securities lending transactions.....	(8,820)	134	(8,685)	2,189	4,008	6,198
Commercial paper.....	4,789	17,423	22,213	(1,575)	1,019	(556)
Borrowed money.....	20,184	21,639	41,824	61,009	(12,824)	48,184
Short-term bonds.....	—	—	—	—	—	—
Bonds.....	(8,414)	7,327	(1,087)	(13,880)	9,839	(4,041)

Note: Increase (decrease) attributed to both volume-related and rate-related is prorated according to proportion of change in each factor.

Fees and Commissions

Year ended March 31	Millions of yen					
	2019			2018		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Fees and commissions.....	¥325,593	¥198,973	¥524,566	¥336,037	¥176,111	¥512,149
Deposits and loans.....	12,730	111,661	124,391	12,444	96,517	108,961
Remittances and transfers	95,877	41,454	137,332	93,992	39,593	133,585
Securities-related business	10,038	1,790	11,829	10,848	1,322	12,171
Agency.....	7,577	—	7,577	9,218	—	9,218
Safe deposits.....	4,544	—	4,544	4,817	—	4,817
Guarantees	14,232	19,064	33,296	15,025	19,266	34,292
Fees and commissions payments.....	¥132,234	¥ 50,131	¥182,365	¥135,292	¥ 47,027	¥182,319
Remittances and transfers	26,039	12,122	38,161	24,819	12,472	37,292

Trading Income

Year ended March 31	Millions of yen					
	2019			2018		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Trading income.....	¥556	¥45,951	¥46,507	¥632	¥58,765	¥59,398
Gains on trading securities.....	530	—	530	610	—	610
Gains on securities related to trading transactions.....	—	—	—	—	5,722	5,722
Gains on trading-related financial derivatives.....	—	45,951	45,951	—	53,042	53,042
Others	25	—	25	22	—	22
Trading losses	¥ —	¥ 3,305	¥ 3,305	¥ —	¥ —	¥ —
Losses on trading securities.....	—	—	—	—	—	—
Losses on securities related to trading transactions.....	—	3,305	3,305	—	—	—
Losses on trading-related financial derivatives	—	—	—	—	—	—
Others	—	—	—	—	—	—

Note: Figures represent net income and loss after offsetting income against expenses.

Net Other Operating Income (Expenses)

Year ended March 31	Millions of yen					
	2019			2018		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Net other operating income (expenses)	¥15,312	¥48,515	¥63,828	¥19,265	¥60,355	¥79,620
Gains (losses) on bonds	6,388	(3,511)	2,877	7,503	4,185	11,688
Gains (losses) on derivatives	(2,783)	(2,488)	(5,272)	(1,154)	925	(228)
Gains on foreign exchange transactions	—	57,576	57,576	—	57,057	57,057

General and Administrative Expenses

Year ended March 31	Millions of yen	
	2019	2018
Salaries and related expenses	¥290,697	¥291,592
Retirement benefit cost	(5,231)	(1,526)
Welfare expenses	45,131	45,896
Depreciation	103,972	101,753
Rent and lease expenses	59,018	60,697
Building and maintenance expenses	7,414	7,124
Supplies expenses	4,540	5,083
Water, lighting, and heating expenses.....	5,252	5,252
Traveling expenses.....	6,061	5,509
Communication expenses.....	6,923	7,229
Publicity and advertising expenses.....	14,376	14,689
Taxes, other than income taxes.....	48,117	48,843
Deposit insurance.....	30,723	30,804
Others.....	194,536	187,801
Total	¥811,533	¥810,752