

Income Analysis (Nonconsolidated)

Sumitomo Mitsui Banking Corporation

Figures for the six-month period ended September 30, 2002, are combined figures for the former SMBC and the former Wakashio Bank.

Gross Banking Profit, Classified by Domestic and International Operations

Six months ended September 30, 2003 and 2002

	Millions of yen					
	Sept. 30, 2003			Sept. 30, 2002		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Interest income	¥516,611	¥213,167	¥729,620 [159]	¥564,309	¥301,761	¥ 865,961 [109]
Interest expenses.....	34,922	126,259	161,023 [159]	41,721	183,135	224,746 [109]
Net interest income	481,688	86,908	568,597	522,587	118,625	641,214
Trust fees	¥ 84	¥ —	¥ 84	¥ /	¥ /	¥ /
Fees and commissions (income)	¥123,037	¥ 27,124	¥150,162	¥103,135	¥ 28,283	¥ 131,418
Fees and commissions (expenses)	44,860	5,971	50,831	39,689	5,815	45,505
Net fees and commissions	78,177	21,152	99,330	63,444	22,467	85,913
Trading profits	¥ 416	¥151,688	¥152,104	¥ 751	¥103,374	¥ 104,126
Trading losses.....	2,279	—	2,279	—	718	718
Net trading income	(1,863)	151,688	149,824	751	102,656	103,408
Other operating income	¥ 51,222	¥ 37,054	¥ 88,276	¥ 51,373	¥ 51,459	¥ 102,832
Other operating expenses.....	50,342	60,431	110,774	12,409	17,619	30,029
Net other operating income.....	880	(23,377)	(22,497)	38,963	33,838	72,803
Gross banking profit.....	¥558,967	¥236,371	¥795,339	¥625,748	¥277,590	¥ 903,339

- 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. Interest expenses are shown after deduction of amounts equivalent to interest expenses on money held in trust (first half of fiscal 2003, ¥16 million; first half of fiscal 2002, ¥24 million).
3. Figures in brackets [] indicate interest payments between domestic and international operations.
As net interest figures are shown for interest rate swaps and similar instruments, some figures for domestic and international operations do not add up to their sums.

Average Balance, Interest and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities

Six months ended September 30, 2003 and 2002

Domestic Operations

	Millions of yen					
	Sept. 30, 2003			Sept. 30, 2002		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥70,975,585	¥516,611	1.45%	¥76,541,368 [326,080]	¥564,309 [109]	1.47%
Loans and bills discounted.....	50,802,673	442,373	1.73	54,046,968	470,464	1.73
Securities	19,207,937	56,730	0.58	20,028,308	70,468	0.70
Call loans	60,803	18	0.06	442,730	259	0.11
Receivables under resale agreements	—	—	—	169,595	1	0.00
Receivables under securities borrowing transactions.....	659,019	71	0.02	1,251,579	92	0.01
Bills bought	188,115	2	0.00	161,017	4	0.00
Deposits with banks	53,750	51	0.19	110,038	124	0.22
Interest-bearing liabilities	¥72,139,125 [630,897]	¥34,922 [159]	0.09%	¥75,803,062	¥41,721	0.10%
Deposits	52,589,296	7,981	0.03	51,517,181	12,246	0.04
Negotiable certificates of deposit	4,337,991	428	0.01	5,978,686	1,326	0.04
Call money	2,484,386	37	0.00	3,408,414	285	0.01
Payables under repurchase agreements ...	2,126,632	66	0.00	484,189	15	0.00
Payables under securities lending transactions	1,958,464	111	0.01	3,317,396	196	0.01
Bills sold	4,935,178	319	0.01	7,955,842	95	0.00
Commercial paper.....	4,385	0	0.01	186,459	81	0.08
Borrowed money	945,358	13,511	2.85	1,045,032	15,313	2.92
Bonds	2,105,112	12,059	1.14	1,902,836	11,841	1.24

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (first half of fiscal 2003, ¥981,818 million; first half of fiscal 2002, ¥718,583 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of interest expenses on money held in trust (first half of fiscal 2003, ¥33,859 million; first half of fiscal 2002, ¥41,728 million) and corresponding interest (first half of fiscal 2003, ¥16 million; first half of fiscal 2002, ¥22 million).
2. Figures in brackets [] indicate the average balances of interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses.
As net interest figures are shown for interest rate swaps and similar instruments, some figures for domestic and international operations do not add up to their sums.
3. Bond interest includes amortization of discount on bonds.

International Operations

	Millions of yen					
	Sept. 30, 2003			Sept. 30, 2002		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥11,994,973 [630,897]	¥213,167 [159]	3.54%	¥14,759,399 [326,080]	¥301,761 [109]	4.07%
Loans and bills discounted.....	3,989,480	49,492	2.47	5,801,435	90,532	3.11
Securities	5,269,491	75,474	2.85	3,881,440	57,448	2.95
Call loans	139,012	960	1.37	168,556	1,611	1.90
Receivables under resale agreements	90,939	359	0.78	58,027	269	0.92
Receivables under securities borrowing transactions	—	—	—	—	—	—
Bills bought	—	—	—	—	—	—
Deposits with banks	978,761	4,674	0.95	2,432,384	28,394	2.32
Interest-bearing liabilities	¥12,107,792	¥126,259	2.07%	¥14,481,014 [326,080]	¥183,135 [109]	2.52%
Deposits	5,763,505	39,101	1.35	7,615,867	69,123	1.81
Negotiable certificates of deposit	66,829	1,207	3.60	155,930	2,672	3.41
Call money	152,108	949	1.24	229,642	1,944	1.68
Payables under repurchase agreements ...	425,659	2,295	1.07	880,102	7,838	1.77
Payables under securities lending transactions	2,898,594	24,444	1.68	1,226,778	13,042	2.12
Bills sold	—	—	—	—	—	—
Commercial paper.....	—	—	—	—	—	—
Borrowed money	1,738,176	33,618	3.85	2,151,872	40,636	3.76
Bonds	622,821	11,425	3.65	408,847	7,909	3.85

Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (first half of fiscal 2003, ¥27,917 million; first half of fiscal 2002, ¥25,412 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of interest expenses on money held in trust (first half of fiscal 2003, ¥— million; first half of fiscal 2002, ¥160 million) and corresponding interest (first half of fiscal 2003, ¥— million; first half of fiscal 2002, ¥2 million).

2. Figures in brackets [] indicate the average balances of interdepartmental lending and borrowing activities between domestic and international operations and related interest expenses.

As net interest figures are shown for interest rate swaps and similar instruments, some figures for domestic and international operations do not add up to their sums.

3. Bond interest includes amortization of discount on bonds.

4. 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

	Millions of yen					
	Sept. 30, 2003			Sept. 30, 2002		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥82,339,662	¥729,620	1.76%	¥90,974,686	¥865,961	1.89%
Loans and bills discounted.....	54,792,153	491,865	1.79	59,848,404	560,997	1.86
Securities	24,477,428	132,204	1.07	23,909,748	127,917	1.06
Call loans	199,815	978	0.97	611,286	1,870	0.61
Receivables under resale agreements	90,939	359	0.78	227,623	271	0.23
Receivables under securities borrowing transactions	659,019	71	0.02	1,251,579	92	0.01
Bills bought	188,115	2	0.00	161,017	4	0.00
Deposits with banks	1,032,512	4,726	0.91	2,542,422	28,518	2.23
Interest-bearing liabilities	¥83,616,020	¥161,023	0.38%	¥89,957,996	¥224,746	0.49%
Deposits	58,352,802	47,083	0.16	59,133,049	81,369	0.27
Negotiable certificates of deposit	4,404,820	1,635	0.07	6,134,616	3,998	0.13
Call money	2,636,495	986	0.07	3,638,056	2,229	0.12
Payables under repurchase agreements ...	2,552,292	2,361	0.18	1,364,291	7,854	1.14
Payables under securities lending transactions	4,857,059	24,555	1.00	4,544,175	13,239	0.58
Bills sold	4,935,178	319	0.01	7,955,842	95	0.00
Commercial paper.....	4,385	0	0.01	186,459	81	0.08
Borrowed money	2,683,535	47,130	3.50	3,196,905	55,949	3.49
Bonds	2,727,933	23,485	1.71	2,311,683	19,751	1.70

Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (first half of fiscal 2003, ¥1,009,736 million; first half of fiscal 2002, ¥743,996 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of interest expenses on money held in trust (first half of fiscal 2003, ¥33,859 million; first half of fiscal 2002, ¥41,888 million) and corresponding interest (first half of fiscal 2003, ¥16 million; first half of fiscal 2002, ¥24 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.

3. Bond interest includes amortization of discount on bonds.

Fees and Commissions

Six months ended September 30, 2003 and 2002

	Millions of yen					
	Sept. 30, 2003			Sept. 30, 2002		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Fees and commissions (income)	¥123,037	¥27,124	¥150,162	¥103,135	¥28,283	¥131,418
Deposits and loans	5,406	7,177	12,584	5,458	10,208	15,666
Remittances and transfers	44,766	10,264	55,030	42,825	10,523	53,348
Securities-related business	11,610	384	11,995	8,558	523	9,081
Agency	6,529	—	6,529	6,467	—	6,467
Safe deposits	2,740	—	2,740	1,865	—	1,865
Guarantees	3,035	2,621	5,656	2,967	2,042	5,009
Fees and commissions (expenses).....	¥ 44,860	¥ 5,971	¥ 50,831	¥ 39,689	¥ 5,815	¥ 45,505
Remittances and transfers	8,314	2,280	10,595	8,093	2,465	10,558

Trading Income

Six months ended September 30, 2003 and 2002

	Millions of yen					
	Sept. 30, 2003			Sept. 30, 2002		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Trading profits	¥ 416	¥151,688	¥152,104	¥751	¥103,374	¥104,126
Gains on trading securities	—	—	—	430	—	430
Gains on securities related to trading transactions.....	—	286	286	—	—	—
Gains on trading-related financial derivatives.....	—	151,402	151,402	—	103,374	103,374
Others	416	—	416	320	—	320
Trading losses.....	¥2,279	¥ —	¥ 2,279	¥ —	¥ 718	¥ 718
Losses on trading securities	2,279	—	2,279	—	—	—
Losses on securities related to trading transactions.....	—	—	—	—	718	718
Losses on trading-related financial derivatives.....	—	—	—	—	—	—
Others	—	—	—	—	—	—

Note: Figures represent net gains (losses) after offsetting income against expenses.

Net Other Operating Income

Six months ended September 30, 2003 and 2002

	Millions of yen					
	Sept. 30, 2003			Sept. 30, 2002		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Net other operating income	¥ 880	¥(23,377)	¥(22,497)	¥38,963	¥33,838	¥72,803
Gains (losses) on bonds	2,386	16,385	18,771	39,068	37,560	76,628
Gains on trading-related financial derivatives.....	(1,828)	(670)	(2,499)	—	4,387	4,387
Gains (losses) on foreign exchange transactions	—	(39,042)	(39,042)	—	(8,058)	(8,058)