

# Income Analysis (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

## Operating Income, Classified by Domestic and Overseas Operations

Year ended March 31	Millions of yen							
	2008				2007			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Interest income .....	¥1,542,313	¥669,690	¥(66,551)	¥2,145,451	¥1,441,457	¥593,892	¥(56,280)	¥1,979,069
Interest expenses .....	529,520	457,127	(51,591)	935,056	432,558	409,364	(31,450)	810,471
Net interest income .....	1,012,792	212,562	(14,960)	1,210,394	1,008,898	184,528	(24,829)	1,168,597
Trust fees .....	3,752	—	—	3,752	3,508	—	—	3,508
Fees and commissions (income) .....	633,655	71,996	(1,368)	704,283	647,473	59,223	(698)	705,998
Fees and commissions (expenses) .....	82,800	10,537	(1,047)	92,289	89,805	7,353	(345)	96,812
Net fees and commissions .....	550,855	61,459	(320)	611,993	557,668	51,870	(352)	609,185
Trading profits .....	470,388	30,848	(31,665)	469,571	127,667	21,459	(21,564)	127,561
Trading losses .....	15,242	16,423	(31,665)	—	10,720	12,780	(21,564)	1,936
Net trading income .....	455,145	14,425	—	469,571	116,946	8,679	—	125,625
Other operating income .....	1,165,090	47,612	(67)	1,212,635	981,643	22,977	(988)	1,003,632
Other operating expenses .....	1,362,029	30,081	(21)	1,392,089	988,511	16,052	(193)	1,004,370
Net other operating income (expenses) .....	(196,938)	17,530	(45)	(179,453)	(6,868)	6,924	(794)	(738)

- Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.
2. Income and expenses resulting from money held in trust are included in "Other income" and "Other expenses." Therefore, "Interest expenses" are shown after deduction of expenses (2008, ¥10 million; 2007, ¥5 million) related to the management of money held in trust.
3. Intersegment transactions are reported in the "Elimination" column.

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

### Domestic Operations

Year ended March 31	Millions of yen					
	2008			2007		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets .....	¥74,364,561	¥1,542,313	2.07%	¥76,132,613	¥1,441,457	1.89%
Loans and bills discounted .....	51,170,802	1,135,110	2.22	51,620,802	1,004,005	1.94
Securities .....	18,046,377	287,879	1.60	19,820,864	330,791	1.67
Call loans and bills bought .....	644,293	13,186	2.05	784,972	17,383	2.21
Receivables under resale agreements...	67,129	382	0.57	41,945	94	0.23
Receivables under securities borrowing transactions .....	980,818	7,032	0.72	1,329,318	4,857	0.37
Deposits with banks .....	1,891,531	34,957	1.85	1,054,974	26,901	2.55
Interest-bearing liabilities .....	¥81,183,731	¥529,520	0.65%	¥80,928,373	¥432,558	0.53%
Deposits .....	65,494,311	244,013	0.37	65,159,829	177,510	0.27
Negotiable certificates of deposit .....	2,557,627	15,057	0.59	2,365,296	5,858	0.25
Call money and bills sold .....	2,087,888	10,853	0.52	2,908,959	4,286	0.15
Payables under repurchase agreements...	103,567	601	0.58	157,722	431	0.27
Payables under securities lending transactions .....	2,041,013	45,499	2.23	2,301,547	60,856	2.64
Commercial paper .....	—	—	—	712	1	0.24
Borrowed money .....	4,400,327	75,888	1.72	3,530,322	53,287	1.51
Short-term bonds .....	494,241	4,105	0.83	370,939	1,503	0.41
Bonds .....	3,726,666	73,497	1.97	3,784,043	68,789	1.82

- Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries.
2. In principle, average balances are calculated by using daily balances. However, some domestic consolidated subsidiaries use weekly, monthly or semiannual balances instead.
3. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2008, ¥804,987 million; 2007, ¥1,096,906 million).
4. Income and expenses resulting from money held in trust are included in "Other income" and "Other expenses." Therefore, "Interest-earning assets" are shown after deduction of the average balance of money held in trust (2008, ¥2,771 million; 2007, ¥2,607 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2008, ¥2,771 million; 2007, ¥2,607 million) and corresponding interest (2008, ¥10 million; 2007, ¥5 million).

## Overseas Operations

Year ended March 31	Millions of yen					
	2008			2007		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets .....	<b>¥12,801,800</b>	<b>¥669,690</b>	<b>5.23%</b>	¥11,234,586	¥593,892	5.29%
Loans and bills discounted .....	<b>8,859,850</b>	<b>467,419</b>	<b>5.28</b>	7,838,766	401,333	5.12
Securities.....	<b>1,139,851</b>	<b>62,162</b>	<b>5.45</b>	1,109,300	62,710	5.65
Call loans and bills bought .....	<b>268,662</b>	<b>12,827</b>	<b>4.77</b>	200,194	10,824	5.41
Receivables under resale agreements....	<b>278,935</b>	<b>6,661</b>	<b>2.39</b>	145,659	7,003	4.81
Receivables under securities borrowing transactions .....	—	—	—	—	—	—
Deposits with banks .....	<b>1,850,524</b>	<b>71,221</b>	<b>3.85</b>	1,530,875	72,925	4.76
Interest-bearing liabilities.....	<b>¥ 8,952,948</b>	<b>¥457,127</b>	<b>5.11%</b>	¥ 8,996,910	¥409,364	4.55%
Deposits .....	<b>7,101,518</b>	<b>256,776</b>	<b>3.62</b>	6,985,307	282,707	4.05
Negotiable certificates of deposit .....	<b>660,930</b>	<b>36,045</b>	<b>5.45</b>	738,076	37,618	5.10
Call money and bills sold.....	<b>314,091</b>	<b>12,675</b>	<b>4.04</b>	325,729	14,520	4.46
Payables under repurchase agreements...	<b>207,412</b>	<b>6,802</b>	<b>3.28</b>	352,703	17,923	5.08
Payables under securities lending transactions .....	—	—	—	—	—	—
Commercial paper .....	—	—	—	—	—	—
Borrowed money .....	<b>316,935</b>	<b>18,465</b>	<b>5.83</b>	159,086	7,199	4.53
Short-term bonds .....	—	—	—	—	—	—
Bonds .....	<b>268,000</b>	<b>17,447</b>	<b>6.51</b>	348,240	20,930	6.01

- Notes: 1. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.
2. In principle, average balances are calculated by using daily balances. However, some overseas consolidated subsidiaries use weekly, monthly or semiannual balances instead.
3. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2008, ¥75,496 million; 2007, ¥48,701 million).

## Total of Domestic and Overseas Operations

Year ended March 31	Millions of yen					
	2008			2007		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets .....	<b>¥86,343,910</b>	<b>¥2,145,451</b>	<b>2.48%</b>	¥86,851,328	¥1,979,069	2.28%
Loans and bills discounted .....	<b>59,129,159</b>	<b>1,557,823</b>	<b>2.63</b>	58,785,489	1,375,851	2.34
Securities.....	<b>19,485,192</b>	<b>333,255</b>	<b>1.71</b>	21,188,587	369,770	1.75
Call loans and bills bought .....	<b>912,955</b>	<b>26,014</b>	<b>2.85</b>	985,167	28,208	2.86
Receivables under resale agreements....	<b>346,065</b>	<b>7,044</b>	<b>2.04</b>	187,604	7,098	3.78
Receivables under securities borrowing transactions .....	<b>980,818</b>	<b>7,032</b>	<b>0.72</b>	1,329,318	4,857	0.37
Deposits with banks .....	<b>3,523,849</b>	<b>101,120</b>	<b>2.87</b>	2,487,172	96,763	3.89
Interest-bearing liabilities.....	<b>¥89,014,453</b>	<b>¥ 935,056</b>	<b>1.05%</b>	¥89,150,368	¥ 810,471	0.91%
Deposits .....	<b>72,376,887</b>	<b>495,690</b>	<b>0.68</b>	72,045,922	457,078	0.63
Negotiable certificates of deposit .....	<b>3,218,557</b>	<b>51,103</b>	<b>1.59</b>	3,103,373	43,476	1.40
Call money and bills sold.....	<b>2,401,980</b>	<b>23,529</b>	<b>0.98</b>	3,234,688	18,807	0.58
Payables under repurchase agreements...	<b>310,979</b>	<b>7,404</b>	<b>2.38</b>	510,425	18,354	3.60
Payables under securities lending transactions .....	<b>2,041,013</b>	<b>45,499</b>	<b>2.23</b>	2,301,547	60,856	2.64
Commercial paper .....	—	—	—	712	1	0.24
Borrowed money .....	<b>3,815,693</b>	<b>47,862</b>	<b>1.25</b>	3,015,247	32,175	1.07
Short-term bonds .....	<b>494,241</b>	<b>4,105</b>	<b>0.83</b>	370,939	1,503	0.41
Bonds .....	<b>3,994,667</b>	<b>90,945</b>	<b>2.28</b>	4,132,284	89,719	2.17

- Notes: 1. The figures above comprise totals for domestic and overseas operations after intersegment eliminations.
2. In principle, average balances are calculated by using daily balances. However, some consolidated subsidiaries use weekly, monthly or semiannual balances instead.
3. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2008, ¥881,666 million; 2007, ¥1,146,135 million).
4. Income and expenses resulting from money held in trust are included in "Other income" and "Other expenses." Therefore, "Interest-earning assets" are shown after deduction of the average balance of money held in trust (2008, ¥2,771 million; 2007, ¥2,607 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2008, ¥2,771 million; 2007, ¥2,607 million) and corresponding interest (2008, ¥10 million; 2007, ¥5 million).

## Fees and Commissions

Year ended March 31	Millions of yen							
	2008				2007			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Fees and commissions (income) .....	¥633,655	¥71,996	¥(1,368)	¥704,283	¥647,473	¥59,223	¥(698)	¥705,998
Deposits and loans .....	24,604	49,217	—	73,822	25,034	40,664	—	65,698
Remittances and transfers .....	125,254	8,568	(177)	133,645	123,671	9,166	(1)	132,836
Securities-related business .....	35,060	58	—	35,118	48,378	271	—	48,650
Agency .....	16,028	—	—	16,028	16,581	—	—	16,581
Safe deposits .....	7,140	4	—	7,144	7,317	4	0	7,322
Guarantees .....	43,376	4,150	(410)	47,117	45,102	1,266	(407)	45,961
Credit card .....	128,575	—	—	128,575	117,197	—	—	117,197
Fees and commissions (expenses) .....	¥ 82,800	¥10,537	¥(1,047)	¥ 92,289	¥ 89,805	¥ 7,353	¥(345)	¥ 96,812
Remittances and transfers .....	26,683	5,103	(174)	31,612	25,135	2,262	(198)	27,200

Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

2. Intersegment transactions are reported in "Elimination" column.

## Trading Income

Year ended March 31	Millions of yen							
	2008				2007			
	Domestic operations	Overseas operations	Elimination	Total	Domestic operations	Overseas operations	Elimination	Total
Trading profits .....	¥470,388	¥ 30,848	¥(31,665)	¥469,571	¥127,667	¥ 21,459	¥ (21,564)	¥127,561
Gains on trading securities .....	21,082	324	—	21,406	15,071	37	—	15,109
Gains on securities related to trading transactions .....	2,705	228	—	2,934	—	—	—	—
Gains on trading-related financial derivatives .....	439,734	30,296	(31,665)	438,365	109,351	21,422	(21,564)	109,208
Others .....	6,865	—	—	6,865	3,244	—	—	3,244
Trading losses .....	¥ 15,242	¥ 16,423	¥(31,665)	¥ —	¥ 10,720	¥12,780	¥ (21,564)	¥ 1,936
Losses on trading securities .....	—	—	—	—	—	—	—	—
Losses on securities related to trading transactions .....	—	—	—	—	1,928	7	—	1,936
Losses on trading-related financial derivatives .....	15,242	16,423	(31,665)	—	8,791	12,773	(21,564)	—
Others .....	—	—	—	—	—	—	—	—

Notes: 1. Domestic operations comprise the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. Overseas operations comprise the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

2. Intersegment transactions are reported in the "Elimination" column.