

Income Analysis (Nonconsolidated)

Sumitomo Mitsui Banking Corporation

Gross Banking Profit, Classified by Domestic and International Operations

Year ended March 31	Millions of yen					
	2009			2008		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Interest income	¥1,184,053	¥583,654	¥1,758,423	¥1,172,852	¥702,275	¥1,866,277
			[9,284]			[8,851]
Interest expenses.....	253,773	495,545	740,034	258,227	646,082	895,458
			[9,284]			[8,851]
Net interest income	930,279	88,109	1,018,389	914,625	56,193	970,818
Trust fees	2,074	—	2,074	3,710	—	3,710
Fees and commissions	322,455	92,772	415,228	361,444	91,082	452,527
Fees and commissions payments.....	102,214	19,190	121,404	98,409	21,755	120,165
Net fees and commissions	220,241	73,582	293,824	263,035	69,327	332,362
Trading income	10,763	164,275	175,038	8,531	432,454	440,985
Trading losses.....	—	—	—	—	—	—
Net trading income	10,763	164,275	175,038	8,531	432,454	440,985
Other operating income	46,440	116,837	163,277	59,530	62,281	121,812
Other operating expenses.....	62,596	65,150	127,747	51,146	333,759	384,906
Net other operating income (expenses)	(16,156)	51,686	35,530	8,383	(271,477)	(263,093)
Gross banking profit	¥1,147,202	¥377,654	¥1,524,856	¥1,198,285	¥286,497	¥1,484,783
Gross banking profit rate (%)	1.65%	1.96%	1.76%	1.82%	1.75%	1.86%

- 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 (2009, ¥30 million; 2008, ¥10 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.
4. Gross banking profit rate = Gross banking profit / Average balance of interest-earning assets × 100

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

Domestic Operations

Year ended March 31	Millions of yen					
	2009			2008		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥69,174,259	¥1,184,053	1.71%	¥65,570,970	¥1,172,852	1.78%
	[2,101,755]	[9,284]		[2,187,759]	[8,851]	
Loans and bills discounted.....	48,534,275	962,176	1.98	46,675,889	944,703	2.02
Securities	17,380,685	190,320	1.09	15,123,121	192,292	1.27
Call loans	102,047	851	0.83	317,648	2,369	0.74
Receivables under resale agreements	1,806	8	0.49	25,001	137	0.55
Receivables under securities borrowing transactions	682,464	4,488	0.65	967,810	6,955	0.71
Bills bought	54,955	1,074	1.95	21,588	600	2.78
Deposits with banks	45,750	422	0.92	9,639	34	0.35
Interest-bearing liabilities	¥70,686,399	¥ 253,773	0.35%	¥67,276,143	¥ 258,227	0.38%
Deposits	57,747,050	123,812	0.21	57,309,691	126,555	0.22
Negotiable certificates of deposit	4,062,350	24,063	0.59	2,538,711	14,781	0.58
Call money	2,661,112	10,653	0.40	2,098,638	10,190	0.48
Payables under repurchase agreements ...	434,189	2,043	0.47	110,193	630	0.57
Payables under securities lending transactions	1,877,785	8,422	0.44	1,095,930	5,872	0.53
Borrowed money	1,716,288	17,185	1.00	1,901,820	19,738	1.03
Short-term bonds	67,214	478	0.71	—	—	—
Bonds	2,020,588	27,771	1.37	2,105,556	25,297	1.20

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2009, ¥756,651 million; 2008, ¥740,846 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2009, ¥8,583 million; 2008, ¥2,771 million) and corresponding interest (2009, ¥30 million; 2008, ¥10 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.

International Operations

Year ended March 31	Millions of yen					
	2009			2008		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥19,248,223	¥583,654	3.03%	¥16,324,446	¥702,275	4.30%
Loans and bills discounted.....	10,196,514	375,128	3.67	7,573,047	381,575	5.03
Securities	5,079,312	103,672	2.04	3,528,429	129,994	3.68
Call loans	279,225	6,953	2.49	368,569	17,033	4.62
Receivables under resale agreements	116,634	1,332	1.14	242,821	3,625	1.49
Receivables under securities borrowing transactions.....	—	—	—	—	—	—
Bills bought	—	—	—	—	—	—
Deposits with banks	2,370,678	37,617	1.58	3,424,782	92,911	2.71
Interest-bearing liabilities	¥19,236,867	¥495,545	2.57%	¥16,253,405	¥646,082	3.97%
	[2,101,755]	[9,284]		[2,187,759]	[8,851]	
Deposits	8,892,776	149,683	1.68	8,670,545	300,291	3.46
Negotiable certificates of deposit	693,692	22,685	3.27	608,181	32,686	5.37
Call money	654,909	11,920	1.82	336,120	13,746	4.08
Payables under repurchase agreements ...	545,774	5,022	0.92	186,890	5,558	2.97
Payables under securities lending transactions	2,281,411	51,463	2.25	944,513	39,623	4.19
Borrowed money	2,536,355	113,145	4.46	1,593,890	83,250	5.22
Bonds	1,316,342	40,168	3.05	1,473,709	51,165	3.47

Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2009, ¥92,824 million; 2008, ¥78,914 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. 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					
	2009			2008		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥86,320,727	¥1,758,423	2.03%	¥79,707,657	¥1,866,277	2.34%
Loans and bills discounted.....	58,730,789	1,337,305	2.27	54,248,936	1,326,278	2.44
Securities	22,459,998	293,992	1.30	18,651,550	322,287	1.72
Call loans	381,273	7,805	2.04	686,218	19,403	2.82
Receivables under resale agreements	118,440	1,341	1.13	267,822	3,762	1.40
Receivables under securities borrowing transactions.....	682,464	4,488	0.65	967,810	6,955	0.71
Bills bought	54,955	1,074	1.95	21,588	600	2.78
Deposits with banks	2,416,428	38,040	1.57	3,434,421	92,946	2.70
Interest-bearing liabilities	¥87,821,511	¥ 740,034	0.84%	¥81,341,789	¥ 895,458	1.10%
Deposits	66,639,826	273,495	0.41	65,980,237	426,846	0.64
Negotiable certificates of deposit	4,756,043	46,748	0.98	3,146,892	47,467	1.50
Call money	3,316,021	22,573	0.68	2,434,759	23,936	0.98
Payables under repurchase agreements ...	979,963	7,066	0.72	297,083	6,189	2.08
Payables under securities lending transactions	4,159,197	59,885	1.43	2,040,443	45,496	2.22
Borrowed money	4,252,644	130,331	3.06	3,495,710	102,988	2.94
Short-term bonds	67,214	478	0.71	—	—	—
Bonds	3,336,931	67,939	2.03	3,579,266	76,463	2.13

Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest earning deposits (2009, ¥849,475 million; 2008, ¥819,761 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2009, ¥8,583 million; 2008, ¥2,771 million) and corresponding interest (2009, ¥30 million; 2008, ¥10 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					
	2009			2008		
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.....	¥61,677	¥(50,476)	¥11,200	¥ (494)	¥135,953	¥135,459
Loans and bills discounted.....	36,842	(19,368)	17,473	(653)	127,514	126,860
Securities	24,720	(26,693)	(1,972)	(9,691)	4,445	(5,246)
Call loans	(1,608)	90	(1,517)	(6)	1,223	1,217
Receivables under resale agreements	(115)	(13)	(128)	10	89	99
Receivables under securities borrowing transactions	(1,915)	(551)	(2,467)	(552)	2,680	2,127
Bills bought	652	(178)	474	(31)	528	497
Deposits with banks.....	272	115	388	(82)	(86)	(169)
Interest expenses.....	¥12,243	¥(16,696)	¥ (4,453)	¥ (30)	¥125,053	¥125,023
Deposits	937	(3,681)	(2,743)	(0)	67,430	67,429
Negotiable certificates of deposit	9,020	260	9,281	(23)	8,621	8,597
Call money	2,251	(1,788)	463	381	6,076	6,458
Payables under repurchase agreements ...	1,524	(112)	1,412	(74)	252	178
Payables under securities lending transactions	3,506	(956)	2,550	716	2,743	3,459
Bills sold	—	—	—	(110)	(110)	(220)
Borrowed money	(1,875)	(676)	(2,552)	3,291	(85)	3,206
Short-term bonds	478	—	478	—	—	—
Bonds.....	(1,020)	3,494	2,473	(436)	2,437	2,000

International Operations

	Millions of yen					
	2009			2008		
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.....	¥88,656	¥(207,277)	¥(118,621)	¥50,809	¥(17,643)	¥33,165
Loans and bills discounted.....	96,517	(102,964)	(6,447)	56,435	(377)	56,057
Securities	31,654	(57,976)	(26,322)	(11,902)	(29,603)	(41,505)
Call loans	(3,473)	(6,607)	(10,080)	(2,083)	(3,234)	(5,318)
Receivables under resale agreements	(1,579)	(713)	(2,292)	878	(1,279)	(401)
Deposits with banks	(23,542)	(31,751)	(55,294)	22,144	(6,751)	15,392
Interest expenses.....	¥76,854	¥(227,391)	¥(150,537)	¥43,285	¥(33,049)	¥10,235
Deposits	3,740	(154,348)	(150,607)	(15,010)	(21,873)	(36,883)
Negotiable certificates of deposit	2,796	(12,797)	(10,000)	4,756	367	5,124
Call money	5,802	(7,628)	(1,826)	(539)	(700)	(1,240)
Payables under repurchase agreements ...	3,302	(3,838)	(536)	(7,179)	(3,333)	(10,512)
Payables under securities lending transactions	30,157	(18,317)	11,839	(9,363)	(9,370)	(18,733)
Borrowed money	42,043	(12,147)	29,895	12,100	3,530	15,631
Bonds	(5,153)	(5,843)	(10,997)	999	(19)	979

Total of Domestic and International Operations

	Millions of yen					
	2009			2008		
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.....	¥134,713	¥(242,567)	¥(107,853)	¥ (1,349)	¥161,456	¥160,107
Loans and bills discounted.....	102,052	(91,025)	11,026	14,889	168,028	182,917
Securities	49,850	(78,146)	(28,295)	(19,578)	(27,172)	(46,751)
Call loans	(7,154)	(4,443)	(11,598)	(1,538)	(2,562)	(4,100)
Receivables under resale agreements	(1,796)	(624)	(2,421)	898	(1,199)	(301)
Receivables under securities borrowing transactions	(1,915)	(551)	(2,467)	(552)	2,680	2,127
Bills bought	652	(178)	474	(31)	528	497
Deposits with banks	(22,770)	(32,135)	(54,905)	21,353	(6,130)	15,223
Interest expenses.....	¥ 54,601	¥(210,025)	¥(155,423)	¥ (443)	¥127,183	¥126,740
Deposits	2,706	(156,058)	(153,351)	784	29,762	30,546
Negotiable certificates of deposit	15,816	(16,536)	(719)	(17)	13,740	13,722
Call money	5,999	(7,362)	(1,363)	1,617	3,600	5,218
Payables under repurchase agreements ...	4,924	(4,047)	876	(7,085)	(3,248)	(10,334)
Payables under securities lending transactions	30,506	(16,117)	14,389	(10,151)	(5,123)	(15,274)
Bills sold	—	—	—	(110)	(110)	(220)
Borrowed money	23,057	4,285	27,343	17,538	1,298	18,837
Short-term bonds	478	—	478	—	—	—
Bonds	(5,033)	(3,489)	(8,523)	(587)	3,567	2,980

Note: Volume/rate variance is prorated according to changes in volume and rate.

Fees and Commissions

Year ended March 31	Millions of yen					
	2009			2008		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Fees and commissions	¥322,455	¥92,772	¥415,228	¥361,444	¥91,082	¥452,527
Deposits and loans	10,866	40,973	51,840	10,720	41,739	52,459
Remittances and transfers	96,014	27,122	123,136	97,341	28,311	125,653
Securities-related business	17,256	2,818	20,075	13,592	1,291	14,883
Agency	11,777	—	11,777	13,094	—	13,094
Safe deposits	6,472	—	6,472	6,688	—	6,688
Guarantees	21,005	9,679	30,684	22,734	6,567	29,302
Fees and commissions payments	¥102,214	¥19,190	¥121,404	¥ 98,409	¥21,755	¥120,165
Remittances and transfers	20,385	7,770	28,155	20,109	9,538	29,647

Trading Income

Year ended March 31	Millions of yen					
	2009			2008		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Trading income	¥10,763	¥164,275	¥175,038	¥8,531	¥432,454	¥440,985
Gains on trading securities	3,313	—	3,313	652	—	652
Gains on securities related to trading transactions	—	1,221	1,221	—	2,934	2,934
Gains on trading-related financial derivatives	—	163,054	163,054	—	429,520	429,520
Others	7,449	—	7,449	7,878	—	7,878
Trading losses	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Losses on trading securities	—	—	—	—	—	—
Losses on securities related to trading transactions	—	—	—	—	—	—
Losses on trading-related financial derivatives	—	—	—	—	—	—
Others	—	—	—	—	—	—

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

Net Other Operating Income (Expenses)

Year ended March 31	Millions of yen					
	2009			2008		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Net other operating income (expenses)	¥(16,156)	¥51,686	¥35,530	¥ 8,383	¥(271,477)	¥(263,093)
Gains (losses) on bonds	(32,420)	58,548	26,128	(10,007)	(20,051)	(30,058)
Gains on derivatives	12,680	898	13,578	3,046	3,767	6,813
Losses on foreign exchange transactions	—	(2,472)	(2,472)	—	(252,589)	(252,589)

General and Administrative Expenses

Year ended March 31	Millions of yen	
	2009	2008
Salaries and related expenses	¥205,624	¥183,791
Retirement benefit cost	25,634	(1,610)
Welfare expenses	31,835	29,216
Depreciation	60,889	52,247
Rent and lease expenses	50,647	45,003
Building and maintenance expenses	8,373	7,152
Supplies expenses	6,812	6,297
Water, lighting, and heating expenses	5,441	4,998
Traveling expenses	3,765	3,638
Communication expenses	7,455	7,351
Publicity and advertising expenses	11,349	14,476
Taxes, other than income taxes	38,282	40,092
Others	266,173	267,335
Total	¥722,285	¥659,992

Note: Because expenses reported on page 27 exclude nonrecurring losses, they are not reconciled with the figures reported in the above table.