

# Income Analysis (Nonconsolidated)

Sumitomo Mitsui Banking Corporation

## Gross Banking Profit, Classified by Domestic and International Operations

Year ended March 31	Millions of yen					
	2012			2011		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Interest income.....	¥ 948,581	¥309,310	¥1,239,535	¥ 985,974	¥275,696	¥1,259,403
			[2,995]			[2,267]
Interest expenses .....	99,330	201,682	282,656	118,390	175,456	291,578
			[2,995]			[2,267]
Net interest income .....	849,250	107,627	956,878	867,584	100,240	967,825
Trust fees .....	1,716	20	1,736	2,299	—	2,299
Fees and commissions .....	332,461	121,416	453,877	327,776	111,993	439,770
Fees and commissions payments .....	117,331	17,658	134,989	118,967	18,135	137,103
Net fees and commissions .....	215,129	103,757	318,887	208,808	93,858	302,667
Trading income .....	5,112	78,938	84,051	940	150,129	151,070
Trading losses .....	—	—	—	—	—	—
Net trading income .....	5,112	78,938	84,051	940	150,129	151,070
Other operating income .....	41,225	152,116	193,341	75,579	142,495	218,075
Other operating expenses .....	14,674	7,709	22,384	40,882	69,294	110,177
Net other operating income (expenses) .....	26,550	144,406	170,957	34,696	73,200	107,897
Gross banking profit .....	¥1,097,760	¥434,750	¥1,532,511	¥1,114,329	¥417,429	¥1,531,759
Gross banking profit rate (%) .....	1.33%	2.15%	1.53%	1.44%	2.34%	1.63%

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. 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 (2012, ¥11 million; 2011, ¥16 million) related to the management of money held in trust.

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					
	2012			2011		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥82,116,956	¥948,581	1.15%	¥77,087,991	¥985,974	1.27%
	[2,256,767]	[18,356]		[1,239,310]	[2,267]	
Loans and bills discounted.....	46,332,489	727,683	1.57	47,537,001	784,020	1.64
Securities .....	32,774,374	181,709	0.55	27,380,279	182,526	0.66
Call loans .....	69,145	334	0.48	62,671	322	0.51
Receivables under resale agreements.....	—	—	—	—	—	—
Receivables under securities borrowing transactions .....	354,424	1,150	0.32	474,990	2,218	0.46
Bills bought .....	21,255	992	4.67	26,437	1,223	4.62
Deposits with banks .....	28,737	973	3.38	92,728	477	0.51
Interest-bearing liabilities .....	¥81,785,205	¥ 99,330	0.12%	¥76,271,874	¥118,390	0.15%
Deposits.....	64,890,957	34,706	0.05	61,678,813	50,558	0.08
Negotiable certificates of deposit.....	6,911,391	10,766	0.15	7,425,533	13,143	0.17
Call money .....	1,151,288	746	0.06	1,176,587	970	0.08
Payables under repurchase agreements ....	36,443	37	0.10	79,200	88	0.11
Payables under securities lending transactions .....	1,095,569	840	0.07	1,161,916	1,000	0.08
Borrowed money .....	4,565,547	11,828	0.25	1,937,454	9,650	0.49
Short-term bonds .....	41,991	37	0.08	59,861	66	0.11
Bonds .....	2,746,423	39,502	1.43	2,524,056	39,470	1.56

Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2012, ¥1,720,001 million; 2011, ¥1,008,208 million).

2. 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 (2012, ¥9,418 million; 2011, ¥10,640 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2012, ¥9,418 million; 2011, ¥10,640 million) and corresponding interest (2012, ¥11 million; 2011, ¥16 million).

3. 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					
	2012			2011		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥20,174,556	¥309,310	1.53%	¥17,816,289	¥275,696	1.54%
Loans and bills discounted.....	10,325,773	209,719	2.03	8,698,046	173,161	1.99
Securities.....	4,639,440	44,921	0.96	5,456,150	57,854	1.06
Call loans.....	367,770	4,485	1.21	328,099	3,385	1.03
Receivables under resale agreements.....	166,832	3,726	2.23	47,258	757	1.60
Receivables under securities borrowing transactions.....	33,729	180	0.53	6,253	44	0.71
Bills bought.....	—	—	—	—	—	—
Deposits with banks.....	3,386,786	17,651	0.52	2,189,841	13,247	0.60
Interest-bearing liabilities.....	¥19,566,597	¥201,682	1.03%	¥17,214,422	¥175,456	1.01%
	[2,256,767]	[18,356]		[1,239,310]	[2,267]	
Deposits.....	8,674,514	33,629	0.38	7,784,154	27,958	0.35
Negotiable certificates of deposit.....	2,707,987	20,133	0.74	1,932,985	18,754	0.97
Call money.....	385,370	1,926	0.50	276,613	1,529	0.55
Payables under repurchase agreements....	624,905	2,012	0.32	549,435	1,725	0.31
Payables under securities lending transactions.....	1,431,495	4,478	0.31	2,344,391	6,247	0.26
Borrowed money.....	1,687,700	76,900	4.55	1,702,887	76,455	4.48
Bonds.....	1,071,387	30,989	2.89	857,741	23,510	2.74

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2012, ¥57,688 million; 2011, ¥61,902 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					
	2012			2011		
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield
Interest-earning assets.....	¥100,034,745	¥1,239,535	1.23%	¥93,664,970	¥1,259,403	1.34%
Loans and bills discounted.....	56,658,263	937,403	1.65	56,235,047	957,181	1.70
Securities.....	37,413,814	226,631	0.60	32,836,430	240,380	0.73
Call loans.....	436,915	4,819	1.10	390,771	3,708	0.94
Receivables under resale agreements.....	166,832	3,726	2.23	47,258	757	1.60
Receivables under securities borrowing transactions.....	388,154	1,330	0.34	481,243	2,263	0.47
Bills bought.....	21,255	992	4.67	26,437	1,223	4.62
Deposits with banks.....	3,415,524	18,625	0.54	2,282,569	13,725	0.60
Interest-bearing liabilities.....	¥ 99,095,035	¥ 282,656	0.28%	¥92,246,987	¥ 291,578	0.31%
Deposits.....	73,565,472	68,335	0.09	69,462,967	78,517	0.11
Negotiable certificates of deposit.....	9,619,379	30,899	0.32	9,358,519	31,897	0.34
Call money.....	1,536,659	2,673	0.17	1,453,201	2,499	0.17
Payables under repurchase agreements....	661,348	2,050	0.30	628,636	1,814	0.28
Payables under securities lending transactions.....	2,527,065	5,318	0.21	3,506,308	7,247	0.20
Borrowed money.....	6,253,248	88,729	1.41	3,640,341	86,105	2.36
Short-term bonds.....	41,991	37	0.08	59,861	66	0.11
Bonds.....	3,817,810	70,429	1.84	3,381,798	62,981	1.86

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2012, ¥1,777,690 million; 2011, ¥1,070,110 million).  
2. 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 (2012, ¥9,418 million; 2011, ¥10,640 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2012, ¥9,418 million; 2011, ¥10,640 million) and corresponding interest (2012, ¥11 million; 2011, ¥16 million).  
3. 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

Year ended March 31	Millions of yen					
	2012			2011		
	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥58,092	¥(95,485)	¥(37,393)	¥39,068	¥(116,275)	¥(77,207)
Loans and bills discounted.....	(19,537)	(36,799)	(56,336)	(39,132)	(43,680)	(82,812)
Securities.....	29,906	(30,722)	(816)	37,527	(29,754)	7,773
Call loans.....	31	(19)	12	16	(76)	(59)
Receivables under resale agreements.....	—	—	—	(0)	(0)	(0)
Receivables under securities borrowing transactions.....	(485)	(583)	(1,068)	(2,679)	838	(1,840)
Bills bought.....	(239)	9	(230)	(339)	296	(42)
Deposits with banks.....	(329)	825	496	(104)	(348)	(452)
Interest expenses.....	¥ 6,696	¥(25,756)	¥(19,059)	¥ 2,216	¥ (37,073)	¥(34,857)
Deposits.....	1,718	(17,569)	(15,851)	1,516	(28,377)	(26,861)
Negotiable certificates of deposit.....	(870)	(1,506)	(2,377)	87	(5,736)	(5,649)
Call money.....	(20)	(203)	(223)	(341)	(350)	(692)
Payables under repurchase agreements....	(44)	(6)	(50)	(350)	(25)	(376)
Payables under securities lending transactions.....	(55)	(105)	(160)	105	(577)	(471)
Borrowed money.....	6,808	(4,630)	2,177	(833)	(1,049)	(1,882)
Short-term bonds.....	(17)	(11)	(29)	(146)	(90)	(237)
Bonds.....	3,198	(3,166)	32	4,037	(333)	3,703

## International Operations

Year ended March 31	Millions of yen					
	2012			2011		
	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥36,156	¥(2,542)	¥33,613	¥12,086	¥(60,071)	¥(47,985)
Loans and bills discounted.....	32,995	3,562	36,558	(11,183)	(11,715)	(22,899)
Securities.....	(8,184)	(4,748)	(12,932)	11,936	(8,739)	3,196
Call loans.....	439	659	1,099	268	268	536
Receivables under resale agreements.....	2,568	399	2,968	7	556	564
Receivables under securities borrowing transactions.....	146	(11)	135	42	(0)	42
Deposits with banks.....	6,238	(1,834)	4,403	(178)	492	314
Interest expenses.....	¥24,224	¥ 2,002	¥26,226	¥ 4,982	¥(16,760)	¥(11,777)
Deposits.....	3,347	2,322	5,670	(3,139)	(3,326)	(6,465)
Negotiable certificates of deposit.....	5,762	(4,383)	1,378	1,746	1,446	3,192
Call money.....	543	(146)	397	(1,225)	513	(712)
Payables under repurchase agreements....	242	44	286	419	787	1,207
Payables under securities lending transactions.....	(2,432)	663	(1,768)	2,037	(421)	1,615
Borrowed money.....	(681)	1,127	445	(11,456)	(4,384)	(15,841)
Bonds.....	6,120	1,358	7,479	(5,144)	127	(5,017)

## Total of Domestic and International Operations

Year ended March 31	Millions of yen					
	2012			2011		
	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥78,928	¥(98,796)	¥(19,868)	¥42,484	¥(163,361)	¥(120,877)
Loans and bills discounted.....	7,002	(26,780)	(19,778)	(49,964)	(55,747)	(105,711)
Securities.....	27,727	(41,476)	(13,749)	49,450	(38,481)	10,969
Call loans.....	467	643	1,111	281	195	476
Receivables under resale agreements.....	2,568	399	2,968	6	557	563
Receivables under securities borrowing transactions.....	(388)	(544)	(932)	(2,663)	864	(1,798)
Bills bought.....	(239)	9	(230)	(339)	296	(42)
Deposits with banks.....	6,178	(1,277)	4,900	(260)	122	(138)
Interest expenses.....	¥19,533	¥(28,455)	¥ (8,921)	¥ 3,923	¥ (46,242)	¥ (42,319)
Deposits.....	3,810	(13,991)	(10,181)	1,157	(34,484)	(33,327)
Negotiable certificates of deposit.....	837	(1,836)	(998)	805	(3,261)	(2,456)
Call money.....	144	29	173	(1,198)	(206)	(1,404)
Payables under repurchase agreements....	97	138	235	(144)	975	831
Payables under securities lending transactions.....	(2,024)	94	(1,929)	1,833	(689)	1,144
Borrowed money.....	37,075	(34,451)	2,623	(10,041)	(7,682)	(17,723)
Short-term bonds.....	(17)	(11)	(29)	(146)	(90)	(237)
Bonds.....	8,050	(539)	7,511	1,294	(2,607)	(1,313)

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

## Fees and Commissions

Year ended March 31	Millions of yen					
	2012			2011		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Fees and commissions.....	¥332,461	¥121,416	¥453,877	¥327,776	¥111,993	¥439,770
Deposits and loans.....	11,241	55,559	66,800	11,271	49,608	60,879
Remittances and transfers.....	91,257	26,190	117,447	92,675	25,946	118,621
Securities-related business.....	11,895	1,476	13,372	11,920	734	12,655
Agency.....	12,459	—	12,459	12,089	—	12,089
Safe deposits.....	5,876	—	5,876	6,045	—	6,045
Guarantees.....	19,382	15,437	34,819	20,374	14,376	34,750
Fees and commissions payments.....	¥117,331	¥ 17,658	¥134,989	¥118,967	¥ 18,135	¥137,103
Remittances and transfers.....	21,355	8,664	30,019	21,368	9,631	31,000

## Trading Income

Year ended March 31	Millions of yen					
	2012			2011		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Trading income.....	¥5,112	¥78,938	¥84,051	¥940	¥150,129	¥151,070
Gains on trading securities.....	4,644	—	4,644	257	—	257
Gains on securities related to trading transactions.....	—	7,634	7,634	—	1,538	1,538
Gains on trading-related financial derivatives.....	—	71,229	71,229	—	148,111	148,111
Others.....	467	74	542	683	479	1,162
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					
	2012			2011		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Net other operating income (expenses).....	¥26,550	¥144,406	¥170,957	¥34,696	¥ 73,200	¥107,897
Gains on bonds.....	23,192	129,343	152,536	28,388	118,732	147,120
Gains (losses) on derivatives.....	(857)	(1,092)	(1,950)	874	8,454	9,328
Losses on foreign exchange transactions.....	—	16,134	16,134	—	(53,976)	(53,976)

## General and Administrative Expenses

Year ended March 31	Millions of yen	
	2012	2011
Salaries and related expenses.....	¥218,698	¥210,947
Retirement benefit cost.....	13,823	12,612
Welfare expenses.....	33,537	32,364
Depreciation.....	75,503	71,030
Rent and lease expenses.....	62,334	56,459
Building and maintenance expenses.....	4,711	6,795
Supplies expenses.....	5,179	5,382
Water, lighting, and heating expenses.....	4,925	5,190
Traveling expenses.....	4,098	3,285
Communication expenses.....	7,040	7,390
Publicity and advertising expenses.....	6,443	7,814
Taxes, other than income taxes.....	36,858	37,883
Deposit insurance.....	52,762	51,220
Others.....	193,577	190,821
Total.....	¥719,495	¥699,197