

# Income Analysis (Nonconsolidated)

Sumitomo Mitsui Banking Corporation

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

Year ended March 31	Millions of yen					
	2014			2013		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Interest income.....	¥ 948,945	¥441,597	¥1,367,602	¥ 897,934	¥395,284	¥1,270,673
			[22,941]			[22,545]
Interest expenses.....	68,297	257,338	302,695	84,297	237,718	299,470
			[22,941]			[22,545]
Net interest income.....	880,647	184,258	1,064,906	813,636	157,565	971,202
Trust fees.....	1,945	27	1,972	1,800	22	1,823
Fees and commissions.....	350,020	163,288	513,309	350,989	138,321	489,310
Fees and commissions payments.....	119,579	36,377	155,957	117,753	27,818	145,572
Net fees and commissions.....	230,441	126,910	357,351	233,235	110,503	343,738
Trading income.....	206	36,852	37,059	1,443	4,336	5,780
Trading losses.....	280	—	280	—	9,562	9,562
Net trading income.....	(73)	36,852	36,779	1,443	(5,225)	(3,781)
Other operating income.....	24,886	117,475	142,006	65,875	212,490	278,366
Other operating expenses.....	25,839	19,349	44,833	17,080	34,174	51,254
Net other operating income.....	(952)	98,125	97,172	48,795	178,316	227,112
Gross banking profit.....	¥1,112,008	¥446,175	¥1,558,184	¥1,098,912	¥441,182	¥1,540,095
Gross banking profit rate (%).....	1.53%	1.42%	1.55%	1.35%	1.66%	1.46%

- 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 (2014, ¥1 million; 2013, ¥7 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. The figures in the total column of "Other operating income" and "Other operating expenses" are less than the combined total for "Domestic operations" and "International operations" (2014, ¥355 million; 2013, ¥— million) due to the presentation of net amounts for gains (losses) from derivative transactions.
5. 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					
	2014			2013		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets.....	¥72,442,213	¥948,945	1.30%	¥80,951,335	¥897,934	1.10%
	[3,577,815]	[22,941]		[2,554,901]	[22,545]	
Loans and bills discounted.....	45,370,735	637,488	1.40	44,448,446	680,256	1.53
Securities.....	22,616,380	268,083	1.18	33,051,536	182,723	0.55
Call loans.....	69,790	216	0.31	48,578	249	0.51
Receivables under resale agreements.....	—	—	—	—	—	—
Receivables under securities borrowing transactions.....	420,070	1,023	0.24	453,540	1,101	0.24
Bills bought.....	28,469	764	2.68	22,164	780	3.52
Deposits with banks.....	6,699	1	0.01	6,356	1	0.01
Interest-bearing liabilities.....	¥80,855,505	¥ 68,297	0.08%	¥79,485,870	¥ 84,297	0.10%
Deposits.....	68,817,306	26,409	0.03	66,400,621	29,454	0.04
Negotiable certificates of deposit.....	5,847,365	6,234	0.10	6,682,323	9,690	0.14
Call money.....	973,696	490	0.05	975,392	588	0.06
Payables under repurchase agreements....	37,359	35	0.09	54,020	55	0.10
Payables under securities lending transactions.....	569,069	355	0.06	756,437	692	0.09
Borrowed money.....	1,583,166	7,123	0.44	1,340,082	8,087	0.60
Short-term bonds.....	23,819	16	0.07	18,652	14	0.08
Bonds.....	2,272,425	26,548	1.16	2,686,884	34,640	1.28

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2014, ¥11,857,804 million; 2013, ¥1,460,002 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 (2014, ¥2,269 million; 2013, ¥7,026 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2014, ¥2,269 million; 2013, ¥7,026 million) and corresponding interest (2014, ¥1 million; 2013, ¥7 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					
	2014			2013		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets.....	¥31,405,213	¥441,597	1.40%	¥26,563,501	¥395,284	1.48%
Loans and bills discounted.....	16,584,726	307,966	1.85	13,720,874	273,860	1.99
Securities.....	5,710,389	66,671	1.16	6,209,456	63,193	1.01
Call loans.....	390,688	4,675	1.19	426,423	3,765	0.88
Receivables under resale agreements.....	332,774	4,646	1.39	252,039	5,009	1.98
Receivables under securities borrowing transactions.....	197,496	895	0.45	107,735	499	0.46
Bills bought.....	—	—	—	—	—	—
Deposits with banks.....	5,670,327	23,786	0.41	4,063,289	19,439	0.47
Interest-bearing liabilities.....	¥30,729,027	¥257,338	0.83%	¥25,239,631	¥237,718	0.94%
	[3,577,815]	[22,941]		[2,554,901]	[22,545]	
Deposits.....	11,261,215	36,375	0.32	8,906,133	31,036	0.34
Negotiable certificates of deposit.....	6,983,225	32,301	0.46	4,983,840	31,340	0.62
Call money.....	594,332	1,879	0.31	543,160	2,256	0.41
Payables under repurchase agreements....	1,321,602	3,081	0.23	1,346,096	5,255	0.39
Payables under securities lending transactions.....	772,910	1,201	0.15	1,684,650	3,996	0.23
Borrowed money.....	1,970,189	71,238	3.61	1,920,820	81,060	4.22
Bonds.....	2,101,155	58,142	2.76	1,470,467	44,244	3.00

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2014, ¥60,515 million; 2013, ¥66,076 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					
	2014			2013		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets.....	¥100,269,611	¥1,367,602	1.36%	¥104,959,935	¥1,270,673	1.21%
Loans and bills discounted.....	61,955,462	945,454	1.52	58,169,321	954,116	1.64
Securities.....	28,326,769	334,755	1.18	39,260,992	245,917	0.62
Call loans.....	460,479	4,892	1.06	475,002	4,015	0.84
Receivables under resale agreements.....	332,774	4,646	1.39	252,039	5,009	1.98
Receivables under securities borrowing transactions.....	617,566	1,918	0.31	561,276	1,601	0.28
Bills bought.....	28,469	764	2.68	22,164	780	3.52
Deposits with banks.....	5,677,026	23,788	0.41	4,069,646	19,440	0.47
Interest-bearing liabilities.....	¥108,006,718	¥ 302,695	0.28%	¥102,170,601	¥ 299,470	0.29%
Deposits.....	80,078,521	62,784	0.07	75,306,754	60,491	0.08
Negotiable certificates of deposit.....	12,830,590	38,536	0.30	11,666,164	41,030	0.35
Call money.....	1,568,029	2,370	0.15	1,518,553	2,844	0.18
Payables under repurchase agreements....	1,358,961	3,117	0.22	1,400,116	5,311	0.37
Payables under securities lending transactions.....	1,341,979	1,557	0.11	2,441,087	4,688	0.19
Borrowed money.....	3,553,356	78,361	2.20	3,260,903	89,147	2.73
Short-term bonds.....	23,819	16	0.07	18,652	14	0.08
Bonds.....	4,373,580	84,690	1.93	4,157,351	78,885	1.89

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (2014, ¥11,918,319 million; 2013, ¥1,526,078 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 (2014, ¥2,269 million; 2013, ¥7,026 million). "Interest-bearing liabilities" are shown after deduction of amounts equivalent to the average balance of money held in trust (2014, ¥2,269 million; 2013, ¥7,026 million) and corresponding interest (2014, ¥1 million; 2013, ¥7 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					
	2014			2013		
	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥(94,385)	¥145,396	¥ 51,011	¥(13,323)	¥(37,322)	¥(50,646)
Loans and bills discounted.....	12,958	(55,726)	(42,767)	(29,125)	(18,301)	(47,427)
Securities.....	(57,690)	143,049	85,359	1,532	(517)	1,014
Call loans.....	65	(99)	(33)	(99)	14	(84)
Receivables under resale agreements.....	—	—	—	—	—	—
Receivables under securities borrowing transactions.....	(81)	3	(78)	240	(289)	(48)
Bills bought.....	169	(185)	(16)	32	(244)	(212)
Deposits with banks.....	0	(0)	0	(427)	(545)	(972)
Interest expenses.....	¥ 1,157	¥ (17,157)	¥(15,999)	¥ (2,728)	¥(12,304)	¥(15,032)
Deposits.....	927	(3,972)	(3,045)	669	(5,921)	(5,251)
Negotiable certificates of deposit.....	(1,107)	(2,347)	(3,455)	(348)	(727)	(1,075)
Call money.....	(1)	(96)	(97)	(108)	(49)	(158)
Payables under repurchase agreements....	(16)	(3)	(20)	18	(0)	17
Payables under securities lending transactions.....	(147)	(188)	(336)	(260)	111	(148)
Borrowed money.....	1,093	(2,057)	(963)	(8,356)	4,615	(3,741)
Short-term bonds.....	3	(1)	1	(19)	(3)	(22)
Bonds.....	(5,031)	(3,060)	(8,092)	(841)	(4,021)	(4,862)

## International Operations

Year ended March 31	Millions of yen					
	2014			2013		
	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥68,080	¥(21,767)	¥46,313	¥95,072	¥ (9,098)	¥85,973
Loans and bills discounted.....	53,179	(19,073)	34,105	67,764	(3,623)	64,140
Securities.....	(5,079)	8,556	3,477	15,876	2,395	18,271
Call loans.....	(315)	1,225	910	517	(1,237)	(719)
Receivables under resale agreements.....	1,127	(1,490)	(362)	1,693	(410)	1,283
Receivables under securities borrowing transactions.....	406	(11)	395	343	(23)	319
Deposits with banks.....	6,741	(2,393)	4,347	3,236	(1,448)	1,787
Interest expenses.....	¥45,970	¥(26,350)	¥19,620	¥53,431	¥(17,395)	¥36,035
Deposits.....	7,607	(2,268)	5,338	807	(3,399)	(2,592)
Negotiable certificates of deposit.....	9,248	(8,287)	961	14,311	(3,104)	11,207
Call money.....	161	(538)	(376)	655	(326)	329
Payables under repurchase agreements....	(93)	(2,080)	(2,174)	2,739	504	3,243
Payables under securities lending transactions.....	(1,707)	(1,087)	(2,795)	600	(1,081)	(481)
Borrowed money.....	1,785	(11,607)	(9,822)	9,837	(5,678)	4,159
Bonds.....	17,452	(3,554)	13,897	11,962	1,291	13,254

## Total of Domestic and International Operations

Year ended March 31	Millions of yen					
	2014			2013		
	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)	Volume-related increase (decrease)	Rate-related increase (decrease)	Net increase (decrease)
Interest income.....	¥(56,782)	¥153,710	¥96,928	¥59,626	¥(28,487)	¥31,138
Loans and bills discounted.....	57,777	(66,439)	(8,662)	24,784	(8,071)	16,713
Securities.....	(68,488)	157,325	88,837	11,414	7,871	19,286
Call loans.....	(122)	999	876	321	(1,126)	(804)
Receivables under resale agreements.....	1,127	(1,490)	(362)	1,693	(410)	1,283
Receivables under securities borrowing transactions.....	168	149	317	493	(222)	270
Bills bought.....	169	(185)	(16)	32	(244)	(212)
Deposits with banks.....	6,735	(2,387)	4,347	3,124	(2,309)	815
Interest expenses.....	¥ 16,356	¥ (13,131)	¥ 3,224	¥ 8,900	¥ 7,913	¥16,813
Deposits.....	3,741	(1,448)	2,293	1,398	(9,242)	(7,844)
Negotiable certificates of deposit.....	3,497	(5,991)	(2,494)	7,006	3,124	10,131
Call money.....	74	(548)	(474)	(31)	202	170
Payables under repurchase agreements....	(151)	(2,042)	(2,194)	2,717	544	3,261
Payables under securities lending transactions.....	(1,666)	(1,465)	(3,131)	(176)	(453)	(629)
Borrowed money.....	6,449	(17,235)	(10,786)	(42,459)	42,877	418
Short-term bonds.....	3	(1)	1	(19)	(3)	(22)
Bonds.....	4,163	1,642	5,805	6,401	1,990	8,392

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

## Fees and Commissions

Year ended March 31	Millions of yen					
	2014			2013		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Fees and commissions.....	¥350,020	¥163,288	¥513,309	¥350,989	¥138,321	¥489,310
Deposits and loans.....	11,780	87,990	99,771	11,563	67,958	79,521
Remittances and transfers.....	90,852	31,316	122,168	91,223	29,007	120,230
Securities-related business.....	11,893	2,287	14,181	11,669	1,557	13,226
Agency.....	12,767	—	12,767	12,501	—	12,501
Safe deposits.....	5,404	—	5,404	5,554	—	5,554
Guarantees.....	17,871	19,599	37,471	18,620	18,112	36,733
Fees and commissions payments.....	¥119,579	¥ 36,377	¥155,957	¥117,753	¥ 27,818	¥145,572
Remittances and transfers.....	22,037	11,739	33,777	21,924	19,238	41,162

## Trading Income

Year ended March 31	Millions of yen					
	2014			2013		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Trading income.....	¥206	¥36,852	¥37,059	¥1,443	¥4,336	¥5,780
Gains on trading securities.....	—	—	—	1,125	—	1,125
Gains on securities related to trading transactions.....	—	20,277	20,277	—	4,286	4,286
Gains on trading-related financial derivatives.....	—	16,570	16,570	—	—	—
Others.....	206	3	210	317	49	367
Trading losses.....	¥280	¥ —	¥ 280	¥ —	¥9,562	¥9,562
Losses on trading securities.....	280	—	280	—	—	—
Losses on securities related to trading transactions.....	—	—	—	—	—	—
Losses on trading-related financial derivatives.....	—	—	—	—	9,562	9,562
Others.....	—	—	—	—	—	—

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

## Net Other Operating Income (Expenses)

Year ended March 31	Millions of yen					
	2014			2013		
	Domestic operations	International operations	Total	Domestic operations	International operations	Total
Net other operating income (expenses).....	¥ (952)	¥98,125	¥97,172	¥48,795	¥178,316	¥227,112
Gains (losses) on bonds.....	(4,862)	5,596	734	40,679	73,169	113,849
Gains (losses) on derivatives.....	(2,984)	355	(2,629)	(829)	(7,262)	(8,092)
Gains on foreign exchange transactions.....	—	90,117	90,117	—	111,289	111,289

## General and Administrative Expenses

Year ended March 31	Millions of yen	
	2014	2013
	Salaries and related expenses.....	¥242,163
Retirement benefit cost.....	8,651	13,183
Welfare expenses.....	37,597	36,800
Depreciation.....	81,666	79,240
Rent and lease expenses.....	64,188	63,381
Building and maintenance expenses.....	4,179	3,567
Supplies expenses.....	5,275	5,181
Water, lighting, and heating expenses.....	5,524	5,202
Traveling expenses.....	4,968	4,552
Communication expenses.....	7,248	7,049
Publicity and advertising expenses.....	7,171	4,905
Taxes, other than income taxes.....	37,368	38,440
Deposit insurance.....	47,202	46,237
Others.....	192,538	193,627
Total.....	¥745,745	¥727,736