

**ADDITIONAL DISCLOSURE FOR THE FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2017 (Unaudited)**

	<u>Page</u>
SUMITOMO MITSUI FINANCIAL GROUP <Consolidated>	
1. Deposits.....	1
2. Loans.....	1
3. Securities.....	2
4. Principal shareholders (Common stock).....	3
SUMITOMO MITSUI BANKING CORPORATION <Non-consolidated>	
1. Deposits.....	4
2. Loans.....	6
3. Securities.....	7
4. Income analysis.....	9

Note: Information contained in this document is provisional translation of Japanese documents that are previously disclosed.

This document contains “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995), regarding the intent, belief or current expectations of us and our managements with respect to our future financial condition and results of operations. In many cases but not all, these statements contain words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “probability,” “risk,” “project,” “should,” “seek,” “target,” “will” and similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those expressed in or implied by such forward-looking statements contained or deemed to be contained herein. The risks and uncertainties which may affect future performance include: deterioration of Japanese and global economic conditions and financial markets; declines in the value of our securities portfolio; incurrence of significant credit-related costs; our ability to successfully implement our business strategy through our subsidiaries, affiliates and alliance partners; and exposure to new risks as we expand the scope of our business. Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this document. We undertake no obligation to update or revise any forward-looking statements. Please refer to our most recent disclosure documents such as our annual report on Form 20-F and other documents submitted to the U.S. Securities and Exchange Commission, as well as our earnings press releases, for a more detailed description of the risks and uncertainties that may affect our financial conditions, our operating results and investors’ decisions.

SUMITOMO MITSUI FINANCIAL GROUP <Consolidated>

1. Deposits

September 30	Millions of yen	
	2017	2016
Domestic operations:		
Liquid deposits	¥ 70,099,159	¥ 63,917,436
Fixed-term deposits	22,243,401	22,681,826
Others	6,696,315	6,945,727
Subtotal.....	99,038,876	93,544,991
Negotiable certificates of deposit	5,973,354	5,176,803
Total	105,012,230	98,721,794
Overseas operations:		
Liquid deposits	13,345,040	10,958,650
Fixed-term deposits	7,385,003	6,049,726
Others	169,773	192,773
Subtotal.....	20,899,817	17,201,150
Negotiable certificates of deposit	6,922,801	5,003,757
Total	27,822,619	22,204,908
Grand total.....	¥ 132,834,850	¥ 120,926,702

- 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. Liquid deposits = Current deposits + Ordinary deposits + Savings deposits + Deposits at notice
3. Fixed-term deposits = Time deposits + Installment savings

2. Loans

September 30	Millions of yen	
	2017	2016
Domestic operations:		
Manufacturing	¥ 7,172,949	¥ 6,287,963
Agriculture, forestry, fisheries and mining.....	131,646	120,158
Construction	914,595	914,726
Transportation, communications and public enterprises	4,873,100	4,671,601
Wholesale and retail	4,603,750	4,449,101
Finance and insurance	2,251,005	2,259,161
Real estate, goods rental and leasing	9,002,752	8,381,679
Services	4,832,445	4,647,316
Municipalities.....	817,959	846,601
Others	21,537,808	23,111,835
Subtotal	56,138,012	55,690,146
Overseas operations:		
Public sector	227,175	179,803
Financial institutions	1,798,435	1,205,354
Commerce and industry	20,521,869	16,463,637
Others	2,476,584	2,427,199
Subtotal	25,024,065	20,275,994
Total	¥ 81,162,078	¥ 75,966,141

- 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. Japan offshore banking accounts are included in overseas operations' accounts.

3. Securities

September 30	Millions of yen	
	2017	2016
Domestic operations:		
Japanese government bonds.....	¥ 8,807,279	¥ 7,960,296
Japanese local government bonds	100,772	67,695
Japanese corporate bonds.....	2,626,735	2,621,930
Japanese stocks	4,079,322	3,528,814
Others.....	5,085,696	3,986,414
Subtotal.....	20,699,806	18,165,151
Overseas operations:		
Japanese government bonds.....	—	—
Japanese local government bonds	—	—
Japanese corporate bonds.....	60,686	84,652
Japanese stocks	—	—
Others.....	3,610,095	3,561,792
Subtotal.....	3,670,782	3,646,445
Unallocated corporate assets:		
Japanese government bonds.....	—	—
Japanese local government bonds	—	—
Japanese corporate bonds.....	—	—
Japanese stocks	55,519	52,964
Others.....	—	—
Subtotal.....	55,519	52,964
Total.....	¥ 24,426,107	¥ 21,864,561

- 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. "Others" include foreign bonds and foreign stocks.

4. Principal shareholders (Common stock)

September 30, 2017	Number of shares	Percentage of shares outstanding
Japan Trustee Services Bank, Ltd. (Trust Account)	79,754,700	5.63%
The Master Trust Bank of Japan, Ltd. (Trust Account).....	67,860,000	4.79
NATSCUMCO*	37,022,191	2.61
Japan Trustee Services Bank, Ltd. (Trust Account 9)	28,226,100	1.99
Japan Trustee Services Bank, Ltd. (Trust Account 5)	28,190,200	1.99
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	22,807,389	1.61
STATE STREET BANK AND TRUST COMPANY 505223**	22,806,769	1.61
STATE STREET BANK WEST CLIENT – TREATY 505234***	22,137,458	1.56
Japan Trustee Services Bank, Ltd. (Trust Account 1)	21,773,100	1.53
Japan Trustee Services Bank, Ltd. (Trust Account 2)	21,419,900	1.51
Total.....	351,997,807	24.88

* Standing agent: Sumitomo Mitsui Banking Corporation

** Standing agent: Mizuho Bank, Ltd. Settlement Service Department

*** Standing agent: Mizuho Bank, Ltd. Settlement Service Department

Notes: 1. Sumitomo Mitsui Trust Bank, Limited has submitted a Report of Possession of Large Volume regarding its shareholding as of September 6, 2016. It stated that Sumitomo Mitsui Trust Bank, Limited and two other shareholders held the following common shares in SMFG as of August 31, 2016. But these three are not included in the above Principal Shareholders because SMFG was unable to confirm the number of shares owned by them at the end of the six months ended September 30, 2017 under review.

The Report of Possession of Large Volume is detailed as follows:

Principal Shareholder: Sumitomo Mitsui Trust Bank, Limited (and two other joint holders)

Number of share held: 71,542,000 shares (including joint ownership)

Shareholding ratio: 5.06%

2. BlackRock Japan Co., Ltd. has submitted a Report of Possession of Large Volume regarding its shareholding as of March 22, 2017. It stated that BlackRock Japan Co., Ltd. and nine other shareholders held the following common shares in SMFG as of March 15, 2017. But these ten are not included in the above Principal Shareholders because SMFG was unable to confirm the number of shares owned by them at the end of the six months ended September 30, 2017 under review.

The Report of Possession of Large Volume is detailed as follows:

Principal Shareholder: BlackRock Japan Co., Ltd. (and nine other joint holders)

Number of share held: 90,686,690 shares (including joint ownership)

Shareholding ratio: 6.41%

3. Mizuho Securities Co., Ltd. has submitted a Report of Possession of Large Volume regarding its shareholding as of September 25, 2017. It stated that Mizuho Securities Co., Ltd. and another shareholder held the following common shares in SMFG as of September 15, 2017. But these two are not included in the above Principal Shareholders because SMFG was unable to confirm the number of shares owned by them at the end of the six months ended September 30, 2017 under review.

The Report of Possession of Large Volume is detailed as follows:

Principal Shareholder: Mizuho Securities Co., Ltd. (and another joint holder)

Number of share held: 67,325,407 shares (including joint ownership)

Shareholding ratio: 4.76%

4. Mitsubishi UFJ Financial Group, Inc. has submitted a Report of Possession of Large Volume regarding its shareholding as of October 2, 2017. It stated that Mitsubishi UFJ Trust and Banking Corporation and two other shareholders held the following common shares in SMFG as of September 25, 2017. But these three are not included in the above Principal Shareholders because SMFG was unable to confirm the number of shares owned by them at the end of the six months ended September 30, 2017 under review.

The Report of Possession of Large Volume is detailed as follows:

Principal Shareholder: Mitsubishi UFJ Trust and Banking Corporation (and two other joint holders)

Number of share held: 78,910,537 shares (including joint ownership)

Shareholding ratio: 5.58%

SUMITOMO MITSUI BANKING CORPORATION <Non-consolidated>

1. Deposits

(1) Period-end balance

September 30	Millions of yen	
	2017	2016
Domestic operations:		
Liquid deposits	¥ 66,620,563	¥ 60,178,178
Fixed-term deposits	18,382,242	18,778,186
Others	852,774	1,469,710
Subtotal	85,855,580	80,426,075
Negotiable certificates of deposit	6,634,631	6,057,835
Total	92,490,212	86,483,911
International operations:		
Liquid deposits	9,561,633	8,504,390
Fixed-term deposits	6,453,340	4,953,337
Others	5,036,973	5,073,048
Subtotal	21,051,948	18,530,776
Negotiable certificates of deposit	6,284,520	4,589,137
Total	27,336,469	23,119,914
Grand total.....	¥ 119,826,681	¥ 109,603,826

Notes: 1. Liquid deposits = Current deposits + Ordinary deposits + Savings deposits + Deposits at notice
 2. Fixed-term deposits = Time deposits + Installment savings

(2) Average balance

Six months ended September 30	Millions of yen	
	2017	2016
Domestic operations:		
Liquid deposits	¥ 65,497,317	¥ 58,919,355
Fixed-term deposits	18,423,270	18,956,747
Others	895,883	932,772
Subtotal	84,816,471	78,808,875
Negotiable certificates of deposit	6,952,523	6,965,268
Total	91,768,995	85,774,144
International operations:		
Liquid deposits	9,709,359	7,908,079
Fixed-term deposits	6,620,678	4,678,451
Others	4,810,551	4,425,032
Subtotal	21,140,589	17,011,562
Negotiable certificates of deposit	5,840,625	6,098,955
Total	26,981,214	23,110,517
Grand total.....	¥ 118,750,209	¥ 108,884,661

Notes: 1. Liquid deposits = Current deposits + Ordinary deposits + Savings deposits + Deposits at notice
 2. Fixed-term deposits = Time deposits + Installment savings
 3. The average balance of foreign-currency-denominated transactions by domestic branches in international operations is calculated by the monthly current method.

(3) Balance of time deposits, classified by maturity

September 30	Millions of yen	
	2017	2016
Less than three months.....	¥ 11,473,159	¥ 10,702,624
Fixed interest rates.....	6,809,574	6,723,313
Floating interest rates.....	11,050	46,621
Others.....	4,652,534	3,932,688
Three – six months.....	4,043,257	3,990,870
Fixed interest rates.....	3,292,709	3,435,801
Floating interest rates.....	6,261	6,840
Others.....	744,286	548,228
Six months – one year.....	5,335,299	5,124,836
Fixed interest rates.....	4,815,945	4,875,087
Floating interest rates.....	4,180	2,250
Others.....	515,174	247,499
One – two years.....	1,462,835	1,631,683
Fixed interest rates.....	1,356,176	1,541,532
Floating interest rates.....	7,790	12,595
Others.....	98,868	77,555
Two – three years.....	1,127,354	958,159
Fixed interest rates.....	970,911	938,513
Floating interest rates.....	6,084	15,505
Others.....	150,358	4,140
Three years or more.....	1,393,639	1,323,312
Fixed interest rates.....	523,186	558,488
Floating interest rates.....	578,335	621,599
Others.....	292,117	143,223
Total.....	24,835,546	23,731,486
Fixed interest rates.....	17,768,504	18,072,737
Floating interest rates.....	613,701	705,411
Others.....	6,453,340	4,953,337

Note: The figures above do not include installment savings.

2. Loans

(1) Balance of loans and bills discounted, classified by collateral

September 30	Millions of yen	
	2017	2016
Securities	¥ 1,713,658	¥ 1,226,389
Commercial claims	1,213,864	1,159,300
Commercial goods	—	—
Real estate	7,061,295	6,762,303
Others	1,246,614	1,155,428
Subtotal	11,235,432	10,303,421
Guaranteed	20,103,511	22,730,721
Unsecured	44,892,861	38,047,119
Total	¥ 76,231,805	¥ 71,081,261

(2) Balance of loans and bills discounted, classified by maturity

September 30	Millions of yen	
	2017	2016
One year or less	¥ 13,552,965	¥ 12,787,045
Floating interest rates	/	/
Fixed interest rates	/	/
One – three years	13,093,746	11,529,738
Floating interest rates	10,496,219	9,132,398
Fixed interest rates	2,597,527	2,397,339
Three – five years	12,435,319	11,472,101
Floating interest rates	9,555,035	9,091,353
Fixed interest rates	2,880,283	2,380,747
Five – seven years	5,484,308	5,495,228
Floating interest rates	4,301,279	4,433,946
Fixed interest rates	1,183,029	1,061,281
More than seven years	21,324,757	20,112,674
Floating interest rates	19,607,987	18,799,695
Fixed interest rates	1,716,769	1,312,979
No designated term	10,340,708	9,684,473
Floating interest rates	10,340,708	9,684,473
Fixed interest rates	—	—
Total	¥ 76,231,805	¥ 71,081,261

Note: Loans with a maturity of one year or less are not classified by floating or fixed interest rates.

3. Securities

(1) Period-end balance

September 30	Millions of yen	
	2017	2016
Domestic operations:		
Japanese government bonds	¥ 8,381,582	¥ 7,443,393
Japanese local government bonds	81,792	43,256
Japanese corporate bonds	2,459,293	2,405,772
Japanese stocks	4,297,678	4,623,187
Others	983,504	926,017
Foreign bonds	—	—
Foreign stocks	—	—
Subtotal	16,203,851	15,441,627
International operations:		
Japanese government bonds	—	—
Japanese local government bonds	—	—
Japanese corporate bonds	—	—
Japanese stocks	—	—
Others	8,091,747	7,083,661
Foreign bonds	4,969,884	4,091,491
Foreign stocks	3,121,863	2,992,169
Subtotal	8,091,747	7,083,661
Total	¥ 24,295,598	¥ 22,525,289

(2) Average balance

Six months ended September 30	Millions of yen	
	2017	2016
Domestic operations:		
Japanese government bonds	¥ 9,070,560	¥ 8,345,424
Japanese local government bonds	81,699	29,847
Japanese corporate bonds	2,474,608	2,386,158
Japanese stocks	2,426,750	3,232,754
Others	954,941	891,106
Foreign bonds	—	—
Foreign stocks	—	—
Subtotal	15,008,561	14,885,292
International operations:		
Japanese government bonds	—	—
Japanese local government bonds	—	—
Japanese corporate bonds	—	—
Japanese stocks	—	—
Others	8,089,694	6,781,800
Foreign bonds	5,123,997	4,109,902
Foreign stocks	2,965,696	2,671,898
Subtotal	8,089,694	6,781,800
Total	¥ 23,098,255	¥ 21,667,093

Note: The average balance of foreign-currency-denominated transactions by domestic branches in international operations is calculated by the monthly current method.

(3) Balance of securities held, classified by maturity

September 30	Millions of yen	
	2017	2016
One year or less:		
Japanese government bonds	¥ 1,901,557	¥ 1,669,331
Japanese local government bonds.....	35	—
Japanese corporate bonds	245,723	215,106
Others	1,586,912	1,063,659
Foreign bonds.....	1,571,234	1,033,585
Foreign stocks	—	—
One – three years:		
Japanese government bonds	4,660,100	2,527,986
Japanese local government bonds.....	—	71
Japanese corporate bonds	582,113	718,975
Others	688,140	564,993
Foreign bonds.....	637,940	493,338
Foreign stocks	2,588	801
Three – five years:		
Japanese government bonds	1,357,037	2,983,700
Japanese local government bonds.....	21,618	12,952
Japanese corporate bonds	730,624	704,038
Others	462,732	474,361
Foreign bonds.....	444,448	436,773
Foreign stocks	—	5,018
Five – seven years:		
Japanese government bonds	52,040	—
Japanese local government bonds.....	1,140	—
Japanese corporate bonds	238,280	289,646
Others	265,596	334,225
Foreign bonds.....	200,349	257,002
Foreign stocks	6,312	—
Seven – 10 years:		
Japanese government bonds	144,625	100,799
Japanese local government bonds.....	58,974	30,194
Japanese corporate bonds	390,901	325,229
Others	1,448,709	998,394
Foreign bonds.....	1,303,713	870,395
Foreign stocks	8,776	6,946
More than 10 years:		
Japanese government bonds	266,221	161,574
Japanese local government bonds.....	24	37
Japanese corporate bonds	271,649	152,775
Others	1,036,989	1,148,289
Foreign bonds.....	812,197	1,000,396
Foreign stocks	87,353	94,289
No designated term:		
Japanese government bonds	—	—
Japanese local government bonds.....	—	—
Japanese corporate bonds	—	—
Japanese stocks.....	4,297,678	4,623,187
Others	3,586,171	3,425,756
Foreign bonds.....	—	—
Foreign stocks	3,016,832	2,885,112
Total:		
Japanese government bonds	8,381,582	7,443,393
Japanese local government bonds.....	81,792	43,256
Japanese corporate bonds	2,459,293	2,405,772
Japanese stocks.....	4,297,678	4,623,187
Others	9,075,251	8,009,679
Foreign bonds.....	4,969,884	4,091,491
Foreign stocks	3,121,863	2,992,169

4. Income analysis

(1) Average balance, interest and average rate of interest-earning assets and interest-bearing liabilities

(a) Domestic operations

Six months ended September 30	Millions of yen, except percentages					
	2017			2016		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets	¥ 72,041,966	¥ 373,529	1.03%	¥ 68,648,575	¥ 563,472	1.63%
	[3,887,091]	[7,810]		[3,383,675]	[6,852]	
Loans and bills discounted	49,412,921	241,230	0.97	47,666,952	258,008	1.07
Securities.....	15,008,561	107,704	1.43	14,885,292	280,247	3.75
Call loans	13,989	4	0.06	6,431	4	0.14
Receivables under resale agreements	0	(0)	(0.60)	—	—	—
Receivables under securities borrowing transactions.....	2,910,165	277	0.01	2,343,795	471	0.04
Bills bought.....	—	—	—	—	—	—
Deposits with banks.....	12,397	8	0.14	7,245	6	0.18
Interest-bearing liabilities	107,422,699	19,895	0.03	94,226,214	23,557	0.04
Deposits.....	84,816,471	4,138	0.00	78,808,875	5,143	0.01
Negotiable certificates of deposit	6,952,523	261	0.00	6,965,268	770	0.02
Call money	159,077	(61)	(0.07)	6,080	(1)	(0.06)
Payables under repurchase agreements	29,541	(0)	(0.00)	32,409	0	0.00
Payables under securities lending transactions	5,625,192	288	0.01	1,884,078	98	0.01
Borrowed money.....	7,872,750	9,559	0.24	4,286,497	9,487	0.44
Bonds	724,267	5,070	1.39	1,214,414	7,512	1.23

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (six months ended September 30, 2017, ¥39,073,045 million; six months ended September 30, 2016, ¥29,959,762 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.

(b) International operations

Six months ended September 30	Millions of yen, except percentages					
	2017			2016		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets	¥ 46,263,429	¥ 446,645	1.92%	¥ 38,060,145	¥ 302,386	1.58%
Loans and bills discounted	26,808,847	313,470	2.33	21,801,743	223,004	2.04
Securities.....	8,089,694	62,456	1.53	6,781,800	42,869	1.26
Call loans	1,452,387	(1,113)	(0.15)	727,698	283	0.07
Receivables under resale agreements	754,462	7,625	2.01	441,771	3,174	1.43
Receivables under securities borrowing transactions.....	110,750	159	0.28	125,851	202	0.32
Deposits with banks.....	5,342,753	28,537	1.06	5,301,535	16,449	0.61
Interest-bearing liabilities	45,680,776	319,677	1.39	38,012,279	202,422	1.06
	[3,887,091]	[7,810]		[3,383,675]	[6,852]	
Deposits.....	21,140,589	105,729	0.99	17,011,562	52,197	0.61
Negotiable certificates of deposit	5,840,625	41,342	1.41	6,098,955	27,350	0.89
Call money	1,132,441	4,245	0.74	898,954	3,114	0.69
Payables under repurchase agreements	2,626,626	13,707	1.04	1,487,183	3,604	0.48
Payables under securities lending transactions	1,074,013	5,275	0.97	674,467	1,029	0.30
Borrowed money.....	4,576,684	66,145	2.88	2,630,499	39,330	2.98
Bonds	3,056,792	39,053	2.54	3,216,204	35,200	2.18

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (six months ended September 30, 2017, ¥136,051 million; six months ended September 30, 2016, ¥99,953 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.

(c) Total of domestic and international operations

Six months ended September 30	Millions of yen, except percentages					
	2017			2016		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
Interest-earning assets	¥ 114,418,305	¥ 812,364	1.41%	¥ 103,325,045	¥ 859,005	1.65%
Loans and bills discounted	76,221,769	554,700	1.45	69,468,696	481,012	1.38
Securities.....	23,098,255	170,161	1.46	21,667,093	323,117	2.97
Call loans	1,466,377	(1,108)	(0.15)	734,130	287	0.07
Receivables under resale agreements	754,463	7,625	2.01	441,771	3,174	1.43
Receivables under securities borrowing transactions.....	3,020,915	436	0.02	2,469,647	674	0.05
Bills bought.....	—	—	—	—	—	—
Deposits with banks	5,355,151	28,545	1.06	5,308,781	16,455	0.61
Interest-bearing liabilities	149,216,384	331,763	0.44	128,854,818	219,127	0.33
Deposits.....	105,957,060	109,867	0.20	95,820,438	57,340	0.11
Negotiable certificates of deposit	12,793,149	41,604	0.64	13,064,223	28,121	0.42
Call money	1,291,518	4,183	0.64	905,035	3,112	0.68
Payables under repurchase agreements	2,656,168	13,707	1.02	1,519,593	3,604	0.47
Payables under securities lending transactions	6,699,206	5,564	0.16	2,558,546	1,127	0.08
Borrowed money.....	12,449,435	75,705	1.21	6,916,997	48,817	1.40
Bonds	3,781,059	44,123	2.32	4,430,618	42,713	1.92

- Notes: 1. "Interest-earning assets" are shown after deduction of the average balance of noninterest-earning deposits (six months ended September 30, 2017, ¥39,209,096 million; six months ended September 30, 2016, ¥30,059,716 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.

(2) Changes in interest income and interest expenses by changes in volume and rate

	Six months ended September 30, 2017 versus six months ended September 30, 2016 increase (decrease) due to changes in			Six months ended September 30, 2016 versus six months ended September 30, 2015 increase (decrease) due to changes in		
	Volume	Rate	Net change	Volume	Rate	Net change
(Millions of yen)						
Non-consolidated Interest income:						
Loans and bills discounted:						
Domestic.....	¥ 8,523	¥ (25,302)	¥ (16,778)	¥ 12,581	¥ (34,018)	¥ (21,436)
International.....	55,732	34,733	90,466	(7,593)	22,028	14,434
Total			73,687			(7,001)
Securities:						
Domestic.....	884	(173,426)	(172,542)	(45,507)	159,352	113,845
International.....	9,119	10,467	19,587	2,772	(4,985)	(2,213)
Total			(152,955)			111,631
Call loans:						
Domestic.....	2	(2)	0	(55)	(19)	(74)
International.....	(555)	(841)	(1,396)	70	(2,344)	(2,274)
Total			(1,396)			(2,348)
Receivables under resale agreements:						
Domestic.....	(0)	—	(0)	(0)	—	(0)
International.....	2,827	1,622	4,450	(458)	895	436
Total			4,450			436
Receivables under securities borrowing transactions:						
Domestic.....	53	(248)	(194)	171	(627)	(455)
International.....	(22)	(19)	(42)	(304)	(142)	(446)
Total			(237)			(902)
Deposits with banks:						
Domestic.....	3	(1)	2	(0)	6	5
International.....	128	11,958	12,087	(2,174)	5,195	3,020
Total			12,090			3,026
Total interest income:						
Domestic.....	17,594	(207,538)	(189,943)	(22,842)	115,427	92,585
International.....	72,192	72,066	144,259	(13,121)	24,252	11,131
Total			¥ (46,641)			¥ 102,927

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

	Six months ended September 30, 2017 versus six months ended September 30, 2016 increase (decrease) due to changes in			Six months ended September 30, 2016 versus six months ended September 30, 2015 increase (decrease) due to changes in		
	Volume	Rate	Net change	Volume	Rate	Net change
(Millions of yen)						
Non-consolidated Interest expenses:						
Deposits:						
Domestic	¥ 293	¥ (1,298)	¥ (1,005)	¥ 380	¥ (6,506)	¥ (6,125)
International	14,889	38,643	53,532	2,227	19,811	22,039
Total			52,526			15,913
Negotiable certificates of deposit:						
Domestic	(1)	(507)	(509)	(121)	(2,025)	(2,147)
International	(1,158)	15,150	13,991	(4,343)	13,089	8,746
Total			13,482			6,599
Call money:						
Domestic	(46)	(13)	(59)	(145)	(316)	(461)
International	859	272	1,131	488	1,291	1,779
Total			1,071			1,317
Payables under repurchase agreements:						
Domestic	(0)	(0)	(0)	(3)	(14)	(17)
International	4,033	6,069	10,102	1,678	721	2,400
Total			10,102			2,382
Payables under securities lending transactions:						
Domestic	191	(1)	189	(303)	(559)	(863)
International	894	3,352	4,246	(676)	56	(619)
Total			4,436			(1,483)
Commercial paper:						
Domestic	—	—	—	—	—	—
International	(147)	854	706	(1,236)	1,630	393
Total			706			393
Borrowed money:						
Domestic	4,354	(4,282)	72	(2,425)	4,119	1,694
International	28,127	(1,312)	26,815	7,673	(3,660)	4,012
Total			26,887			5,706
Short-term bonds:						
Domestic	—	—	—	(3)	(3)	(7)
International	—	—	—	—	—	—
Total			—			(7)
Bonds:						
Domestic	(3,032)	590	(2,442)	(1,930)	761	(1,168)
International	(1,744)	5,596	3,852	(4,334)	(5,705)	(10,039)
Total			1,410			(11,208)
Total interest expenses:						
Domestic	2,444	(6,106)	(3,661)	45	(9,119)	(9,074)
International	45,852	71,402	117,255	(5,910)	50,734	44,823
Total			¥ 112,636			¥ 34,959

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

(3) Net fees and commissions

Six months ended September 30	Millions of yen	
	2017	2016
Fees and commissions	¥ 242,973	¥ 246,564
Deposits and loans	56,957	49,868
Remittances and transfers	66,496	64,851
Securities-related business	4,898	5,856
Agency	4,774	5,235
Safe deposits	2,427	2,527
Guarantees.....	17,718	16,854
Fees and commissions payments	98,988	94,659
Remittances and transfers	18,695	18,455

(4) Trading income

Six months ended September 30	Millions of yen	
	2017	2016
Trading income	¥ 31,812	¥ 39,106
Gains on trading securities	—	483
Gains on securities related to trading transactions	2,223	2,090
Gains on trading-related financial derivatives.....	29,574	36,520
Others	13	12
Trading losses	99	—
Losses on trading securities	99	—
Losses on securities related to trading transactions.....	—	—
Losses on trading-related financial derivatives	—	—
Others	—	—

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

(5) Net other operating income (expenses)

Six months ended September 30	Millions of yen	
	2017	2016
Net other operating income (expenses)	¥ 51,792	¥ 82,262
Gains (losses) on bonds	19,713	58,037
Gains (losses) on financial derivatives.....	(1,658)	3,236
Gains (losses) on foreign exchange transactions	23,886	7,380