

Progress Report on Strengthening the Financial Base of the Bank

(Selected tables excerpted from the original Japanese report)

August 2003

Sumitomo Mitsui Financial Group
(Sumitomo Mitsui Banking Corporation)

(Table 1-1)Trend and Plan of Income [Sumitomo Mitsui Banking Corporation (Non-consolidated)]

	FY00 Actual *1	FY01 Actual *2	FY02 Plan *3	FY02 Actual *4	
(Scale)<Average balance for Assets and Liabilities, term-end balance for Stockholders' Equity>					(Billions of yen)
Total Assets	102,783.1	105,465.0	95,500.0	98,922.7	
Loans and Bills Discounted	62,824.0	60,635.6	62,800.0	59,391.4	
Securities	19,635.2	23,426.3	15,600.0	23,130.4	#1
Trading assets	2,060.1	1,257.0	2,250.0	1,185.6	
Deferred Income Taxes <term-end balance>	1,074.6	1,741.1	730.0	1,814.6	#2
Total Liabilities	98,854.9	101,512.1	91,200.0	95,396.2	
Deposits, NCD	68,038.9	67,897.2	66,000.0	64,576.5	
Bonds	---	---	---	---	
Trading Liabilities	362.0	224.4	400.0	242.4	
Deferred Tax Liabilities	---	---	---	---	
Deferred Tax Liabilities for Land Revaluation <term-end balance>	130.0	63.1	126.3	57.9	
Total Stockholders' Equity	4,199.9	3,196.5	3,281.1	2,279.2	
Capital Stock	1,795.5	1,326.7	1,326.7	560.0	#3
Capital Reserve	1,542.6	1,326.8	1,326.8	879.7	#3
Other capital surplus	---	357.6	357.6	357.6	
Earned Surplus Reserve	239.1	---	---	---	
Retained Earnings *5	413.0	383.3	430.3	414.5	
Land Revaluation Excess	209.5	100.4	96.0	85.3	
Net Unrealized Losses on Other Securities	---	(298.0)	(256.0)	(17.9)	#4
Treasury Stock	---	(0.3)	(0.3)	---	
(Income)					
Gross Banking Profit	1,503.2	1,853.5	1,500.0	1,760.6	#5
Interest Income	2,275.6	2,193.0	1,955.0	1,647.1	
Interest Expenses	1,034.9	716.5	830.0	423.8	
Net Fees and Commissions	150.7	165.3	190.0	194.7	
Net Trading Income	95.4	121.3	140.0	196.0	
Net Other Operating Income	16.4	90.4	45.0	146.6	
Gains (Losses) on Bonds	8.7	66.6	20.0	135.7	
Banking Profit before (a)	803.1	1,183.4	850.0	1,113.6	#6
Banking Profit	991.7	678.9	850.0	875.5	
Transfer to General Reserve for Possible Loan Losses ... (a)	(188.6)	504.5	---	238.1	#7
Expenses	700.1	670.1	650.0	647.0	
Personnel	294.1	271.8	258.5	253.9	
Non-personnel	370.6	366.6	357.7	357.7	
Credit Cost	1,007.7	1,038.6	500.0	836.4	#7
Gains (Losses) on Stocks	311.4	(130.7)	(70.0)	(635.7)	#8
Losses on Devaluation of Stocks	118.1	130.6	---	527.5	
Operating Profit (Loss)	359.1	(522.1)	230.0	(597.2)	#9
Extraordinary Profit	3.0	26.8	---	6.0	
Extraordinary Loss	89.1	41.3	80.0	79.8	
Income Taxes (Current)	9.4	32.7	---	40.3	
Income Taxes (Deferred)	125.7	(246.5)	70.0	(233.0)	
Net Income (Loss)	137.9	(322.8)	80.0	(478.3)	#9
(Dividend)					
Distributable Profit	Sakura 165.0 Sumitomo 206.7	442.6	531.6	629.5	
Dividend (including interim dividend)	Sakura 35.7 Sumitomo 22.4	37.3	37.3		
Dividend of common stock	Sakura 24.7 Sumitomo 18.8	22.8	22.8		
Dividend of Preferred stock <Public funds>	Sakura 11.0 Sumitomo 3.6	14.5	14.5		
Dividend of Preferred stock <Others>	Sakura 0.0 Sumitomo ---	---	---		
Dividend per Share (Common Stock) (yen)	Sakura 6.0 Sumitomo 6.0	4.0	4.0		
Dividend Rate (Preferred Stock <Public funds>)	Sakura 1.37 Sumitomo 0.70	1.11	1.11		
Dividend Rate (Preferred Stock <Others>)	Sakura 0.75 Sumitomo ---	---	---		
Payout Ratio	Sakura 34.72 Sumitomo 36.15	---	34.81		

(Financial Indicator)						(%)
Yield on interest earning assets (A)	Sakura	2.50	2.39	2.74	1.86	
	Sumitomo	2.57				
Interest Earned on Loans (B)	Sakura	2.35	2.07	2.68	1.84	
	Sumitomo	2.43				
Interest Earned on Securities	Sakura	1.74	2.15	1.65	1.11	
	Sumitomo	1.79				
Total Cost of Funding (including Expenses) (C)	Sakura	2.00	1.59	2.21	1.22	
	Sumitomo	2.06				
Interest paid on Deposits (Including NCD) (D)	Sakura	0.72	0.49	0.93	0.23	
	Sumitomo	1.13				
Expense Ratio (E)	Sakura	1.12	0.98	0.98	0.99	
	Sumitomo	0.92				
Personnel	Sakura	0.46	0.39	0.39	0.39	
	Sumitomo	0.39				
Non-personnel	Sakura	0.60	0.53	0.54	0.55	
	Sumitomo	0.48				
Overall Interest Spread (A) - (C)	Sakura	0.50	0.80	0.53	0.64	
	Sumitomo	0.51				
Interest Spread (B) - (D) - (E)	Sakura	0.50	0.59	0.77	0.61	
	Sumitomo	0.38				
Non-interest Income Ratio	Sakura	18.03	8.91	12.66	11.05	
	Sumitomo	10.53				
OHR (Expenses/Gross Banking Profit)			36.15		36.74	
ROE (Banking Profit before (a) / Stockholders' Equity <average balance>)	Sakura	15.67	33.95	26.24	40.52	#10
	Sumitomo	23.56				
ROA (Banking Profit before (a) / Total Assets <average balance>)	Sakura	0.75	1.12	0.89	1.12	
	Sumitomo	0.80				
Modified Core ROA *6			0.91		1.03	

*1 Basically, the numbers are the sum of those of former Sakura Bank and Sumitomo Bank.

*2 The numbers are those of former Sumitomo Mitsui Banking Corporation.

*3 Reflects measures taken to improve profits as FY01 Net Income fell below the target by more than 30%.

*4 The numbers of Income and Average balance include the numbers of former Sumitomo Mitsui Banking Corporation before the merger (From and including April 1, 2002 to and including March 16, 2003).

*5 The numbers are the sum of Voluntary Reserves and Unappointed Profit.

*6 (Banking Profit before (a) - Gains (Losses) on Bonds - Dividend from subsidiaries and others)
/ (Total Assets - Customers' liabilities for acceptances and guarantees)<average balance>

Effect of introduction of enterprise taxes through external standards taxation on banks by Osaka Prefectural Government: 32.0 billion yen.

(Table 1-2)Trend of Income [Sumitomo Mitsui Financial Group (Consolidated)]

	FY01 Actual *4	FY02 Actual
(Scale)<term-end balance>		(Billions of yen)
Total Assets	108,005.0	104,607.4
Loans and Bills Discounted	63,645.6	61,082.9
Securities	20,694.6	24,118.5
Trading Assets	3,278.1	4,495.4
Deferred Income Taxes	1,882.5	1,956.1
Minority Interests	983.8	996.7
Total Liabilities	104,108.5	101,186.7
Deposits, NCD	71,648.1	67,784.0
Bonds	---	---
Trading Liabilities	2,331.5	2,851.4
Deferred Tax Liabilities	39.2	43.9
Deferred Tax Liabilities for Land Revaluation	64.0	58.8
Total Stockholders' Equity	2,912.6	2,424.1
Capital Stock	1,326.7	1,247.7
Capital Surplus*1	1,684.4	856.2
Earned Surplus Reserve*2	117.7	311.7
Land Revaluation Excess	121.2	101.4
Net Unrealized Losses on Other Securities	(304.8)	(24.2)
Foreign Currency Translation Adjustments	(15.2)	(53.5)
Treasury Stock *3	(17.5)	(15.2)

(Income)	(Billions of yen)	
Ordinary Income	3,779.7	3,506.4
Interest Income	2,176.7	1,816.9
Fees and Commissions	387.3	424.2
Trading Income	129.5	206.5
Other Operating Income	845.6	947.0
Other Income	240.7	111.8
Ordinary Expenses	4,360.3	4,022.1
Interest Expenses	726.9	417.4
Fees and Commissions	67.7	71.3
Trading Losses	---	0.7
Other Operating Expenses	666.7	721.1
General and Administrative Expenses	935.6	889.2
Other Expenses	1,963.5	1,922.3
Write-off of Loans	391.9	364.6
Transfer to Reserve for Possible Loan Losses	1,204.3	654.7
Transfer to General Reserve for Possible Loan Losses	527.4	250.6
Transfer to Specific Reserve	681.5	408.0
Ordinary Profit (Loss)	(580.6)	(515.7)
Extraordinary Gains	29.4	11.9
Extraordinary Losses	53.1	87.1
Income (Loss) before Income Taxes	(604.3)	(590.9)
Income Taxes (Current)	101.9	66.1
Income Taxes (Deferred)	(289.3)	(225.2)
Minority Interests in Net Income (Loss)	47.0	33.6
Net Income (Loss)	(463.9)	(465.4)

*1 The numbers of FY01 are the sum of those of Capital Reserve and Capital reserve reduction.

*2 The numbers of FY01 are those of Retained Earnings excluding Capital reserve reduction.

*3 The numbers of FY01 include parent bank stock held by subsidiaries.

*4 The numbers are those of former Sumitomo Mitsui Banking Corporation (Consolidated).

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>						(Billions of yen)
	Mar.31, 01 Actual		Mar.31, 02	Mar.31, 03	Mar.31, 03	
	Sakura	Sumitomo	Actual *6	Plan *7	Actual	
Capital Stock *1	1,042.7	752.8	1,326.7	1,326.7	560.0	#1
Common Stock	640.1	502.3	676.2	676.2		
Preferred Stock (Non-accumulative)	402.6	250.5	650.5	650.5		
Preferred Securities	283.7	563.0	863.6	863.6	732.8	
Capital Reserve	899.5	643.1	1,326.8	1,326.8	879.7	#1
Other Capital Surplus			357.6	357.6	357.6	
Earned Surplus Reserve *2	131.2	110.2	--	--	--	
Net Unrealized Losses on Other Securities	--	--	(298.0)	(256.0)	(17.9)	#2
Voluntary reserves *2	56.0	165.5	221.5	221.5	221.5	
Profit brought forward to next year *3	109.0	67.3	123.0	169.9	191.5	
Treasury Stock	0.0	0.0	(0.3)	(0.3)	--	
Others *4	1.8	4.0	6.2	6.2	6.0	
Total Tier I	2,524.0	2,306.0	3,927.2	4,016.1	2,931.4	
<Tax Effect>	<524.1>	<550.4>	<1,741.1>	<1,660.0>	<1,814.6>	
Preferred Stock (Cumulative)	--	--	--	--	--	
Preferred Securities	--	--	--	--	--	
Perpetual Subordinated Bonds	402.4	441.3	566.9	548.4	264.1	
Perpetual Subordinated Loans	135.0	70.0	230.0		305.0	
Unrealized Gains on Securities	--	--	--	--	--	
Unrealized Appreciation of Land	31.5	121.2	73.6	70.4	64.4	
Reserve for Possible Loan Losses	142.8	225.0	791.2	722.5	672.6	
Others	--	--	--	--	--	
Total Upper Tier II	711.8	857.5	1,661.7	1,341.3	1,306.1	
Subordinated Bonds	573.5	1,140.5	1,747.5	1,491.0	1,465.7	
Subordinated Loans						
Others	--	--	--	--	--	
Total Lower Tier II	573.5	1,140.5	1,747.5	1,491.0	1,465.7	
Total Tier II	1,285.4	1,998.0	3,409.2	2,832.3	2,771.8	
Tier III	--	--	--	--	--	
Subtraction Item	16.9	58.8	55.3	55.3	55.4	
Total Capital	3,792.5	4,245.2	7,281.0	6,793.1	5,647.8	
						(Billions of yen)
Risk-Adjusted Assets	31,840.6	35,946.2	63,296.6	57,800.0	53,807.1	
On-Balance-Sheet Items	29,547.5	32,166.3	57,965.0	52,470.0	50,297.7	
Off-Balance-Sheet Items	2,157.6	3,654.5	5,192.3	5,190.0	3,322.5	
Others *5	135.4	125.4	139.3	140.0	187.0	
						(%)
Capital Ratio	11.91	11.80	11.50	11.75	10.49	
Tier I Ratio	7.92	6.41	6.20	6.94	5.44	

*1 Details of the Capital stock as of March 31, 2003 (actual) are not indicated because classification by type of stock is not available.

*2 Excluding Profit to be appropriated.

*3 Unappropriated profit minus Expected outflows.

*4 Amount of Minority Interests in Consolidated Subsidiaries (minus Preferred Securities), Foreign Currency Translation Adjustments.

*5 Market Risk Equivalent Assets divided by 8%.

*6 The numbers are those of former Sumitomo Mitsui Banking Corporation (non-consolidated).

*7 The numbers reflect measures taken to improve profits as FY01 Net Income fell below the target by more than 30%.

<Assumptions on yen/dollar exchange rate>

Mar. 31, 03: \$1=133.25yen

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Financial Group (Consolidated)>						(Billions of yen)
	Mar.31, 01 Actual		Mar.31, 02	Mar.31, 03	Mar.31, 03	
	Sakura	Sumitomo	Actual *6	Plan *7	Actual	
Capital Stock *1	1,042.7	752.8	1,326.7	1,326.7	1,247.7	
Common Stock	640.1	502.3	676.2	676.2		
Preferred Stock (Non-accumulative)	402.6	250.5	650.5	650.5		
Preferred Securities	283.7	563.0	863.6	863.6	840.1	
Capital Reserve	899.5	643.1	1,326.8	1,326.8		
Capital Surplus					856.2	
Retained Earnings *2	196.0	308.7	438.0	501.4		
Retained Earnings *3					278.4	
Net Unrealized Losses on Other Securities	---	---	(304.8)	(262.8)	(24.2)	#1
Treasury Stock	(4.6)	(14.1)	(17.5)	(17.5)	(15.2)	
Foreign Currency Translation Adjustments	(20.9)	(32.2)	(15.2)	(15.2)	(53.5)	#2
Others *4	99.9	36.9	101.7	108.3	126.5	
Total Tier I	2,496.4	2,258.3	3,719.4	3,831.4	3,255.9	
<Tax Effect>	<558.2>	<574.0>	<1,843.3>	<1,760.0>	<1,912.2>	
Preferred Stock (Cumulative)	---	---	---	---	---	
Preferred Securities	---	---	---	---	---	
Perpetual Subordinated Bonds	402.4	441.3	566.9	548.4	264.1	
Perpetual Subordinated Loans	135.0	70.0	230.0		305.0	
Unrealized Gains on Securities	---	---	---	---	---	
Unrealized Appreciation of Land	46.6	122.2	82.9	79.7	71.7	
Reserve for Possible Loan Losses	163.1	232.7	844.4	775.0	739.6	
Others	---	---	---	---	---	
Total Upper Tier II	747.2	866.2	1,724.2	1,403.1	1,380.4	
Subordinated Bonds	604.3	1,129.1	1,780.6	1,524.1	1,581.3	
Subordinated Loans						
Others	---	---	---	---	---	
Total Lower Tier II	604.3	1,129.1	1,780.6	1,524.1	1,581.3	
Total Tier II	1,351.6	1,995.4	3,504.8	2,927.2	2,961.6	
Tier III	---	---	---	---	---	
Subtraction Item	13.7	103.6	163.3	244.5	238.6	
Total Capital	3,834.3	4,150.0	7,060.8	6,514.1	5,978.9	

(Billions of yen)						
Risk-Adjusted Assets	33,891.4	37,925.2	67,548.0	62,000.0	59,166.9	
On-Balance-Sheet Items	31,812.5	34,609.0	62,532.2	56,990.0	55,417.7	
Off-Balance-Sheet Items	1,924.7	3,096.3	4,803.2	4,800.0	3,525.4	
Others *5	154.0	219.9	212.7	210.0	223.8	

(%)						
Capital Ratio	11.31	10.94	10.45	10.50	10.10	
Tier I Ratio	7.36	5.95	5.50	6.17	5.50	

*1 Details of the Capital stock as of March 31, 2003 (actual) are not described because it can't be classified by types.

*2 Excluding Expected outflows.

*3 Excluding Expected outflows.

*4 Amount of Minority Interests in Consolidated Subsidiaries (minus Preferred Securities), Goodwill and Consolidated Adjustment Account.

*5 Market Risk Equivalent Assets divided by 8%.

*6 The numbers are those of former Sumitomo Mitsui Banking Corporation (Consolidated).

*7 The numbers reflects measures taken to improve profits as FY01 Net Income fell below the target by more than 30%.

<Assumptions on yen/dollar exchange rate>

Mar. 31, 03: \$1=133.25yen

(Table 5) Earnings by Unit [Sumitomo Mitsui Banking Corporation (Non-conconsolidated)]

(Billions of yen)

	FY01 Actual *1	FY02 Actual *2
Net Interest Income	277.8	278.3
Fees and Commissions + Foreign Exchange	37.7	34.4
Consumer Banking Unit	315.5	312.7
Net Interest Income	425.4	337.2
Fees and Commissions + Foreign Exchange	158.4	231.8
Middle Market Banking Unit	583.8	569.0
Net Interest Income	115.5	101.7
Fees and Commissions + Foreign Exchange	50.8	61.1
Corporate Banking Unit	166.3	162.8
Marketing Business	88.4	87.6
Treasury Business	1.5	1.3
International Banking Unit	78.4	86.4
Net Interest Income	---	9.4
Fees and Commissions + Foreign Exchange	---	0.2
Community Banking Unit	---	9.6
Banking Operation	456.6	521.1
Trading Operation	54.3	63.8
Treasury Unit	507.7	581.5
Headquarters	201.8	38.6
Gross Banking Profit	1,853.5	1,760.6
Expenses	(670.1)	(647.0)
Banking Profit (excluding transfer to general reserve for possible loans losses)	1,183.4	1,113.6

*1 The numbers are those of former Sumitomo Mitsui Banking Corporation.

*2 The numbers of FY02 include those of former Sumitomo Mitsui Banking Corporation before the merger (from and including April 1, 2002 to and including March 16, 2003).

(Table 6) Restructuring Plan [Sumitomo Mitsui Financial Group + Sumitomo Mitsui Banking Corporation]

	Mar.31,01 Actual	Mar.31,02 Actual	Mar.31,03 Plan	Mar.31,03 Actual	
(Number of Employees and Directors)					
Directors	38	33	38	24	
Board of Directors *1	29(5)	26(2)	29(4)	17(2)	
Auditors *1	9(4)	7(4)	9(4)	7(3)	
Employees *2	27,142	25,027	23,500	24,024	*3

*1 Number in the brackets are the number of those who are not full-time attendants.

*2 Registered employees, excluding executive officers, contract employees and temporary recruited.

*3 The actual number of employees on March 31, 2003 excluding those of former Wakasio Bank is 23,401.

(Number of Offices)

Domestic Branches *1	578	564	401	437	*4
Overseas Branches *2	33	21	22	20	
(Ref.) Overseas Subsidiaries *3	34	25	28	26	

*1 Excluding sub-branches, agencies, branches specialized in receiving money transfers, branches specialized in controlling ATMs in convenience stores and International Business Operations Department.

*2 Excluding sub-branches and representative offices.

*3 Excluding Overseas Subsidiaries with ownership of less than 50%.

*4 The number on March 31, 2003 includes 34 branches of former Wakasio Bank and 2 combined branches.

	Mar.31,01 Actual	Mar.31,02 Actual	Mar.31,03 Plan*1	Mar.31,03 Actual	
(Personnel Expenses)					
Personnel Expenses (Millions of yen)	294,004	271,788	258,500	254,346	
Salary and Remuneration (Millions of yen)	242,004	221,889	209,700	205,602	
Average Salary (Thousands of yen)	510	496	502	508	*2

*1 Average age of the employee is 38.6 years old (as of March 31, 2003)

*2 The reason for the excess over the plan (as of March 31, 2003) is temporary increase of overtime payment for the preparation of the merger with former Wakashio Bank.

(Remuneration and Bonus of Directors)

(Millions of yen)

Remuneration and Bonus of Directors *1	1,033	830	920	763	
Remuneration	1,033	830	920	763	
Bonus	0	0	0	0	
Average Remuneration and Bonus of Directors	28	28	31	*2 27	
Average Retirement Allowances of Directors	112	81	87	63	

*1 Sum of those included in personnel expenses and profit appropriation, including rewards as executive officers in case concurrently appointed.

*2 Excluding those of former Wakashio Bank.

(Non-personnel Expenses)

(Millions of yen)

Non-personnel Expenses *1	370,589	366,637	357,700	355,248	
System related cost *2	86,426	96,324	94,800	90,486	
Excluding System related cost	284,163	270,313	262,900	264,762	*3

*1 Excluding the fees for management guidance from subsidiaries to parent.

*2 Including leasing expenses and other related costs.

*3 The reason for the excess over the plan (as of March 31, 2003) is the increase of expenses because of the merger with former Wakashio Bank.

(Note) The plan reflects measures taken to improve profits as FY01 Net Income fell below the target by more than 30%.

(Table 7) Domestic Subsidiaries and Affiliates (*1)

(Billions of yen)

Company Name	Main Business	Latest Fiscal Term	Total Asset	(*2) Total Borrowing	(*3,*4) SMFG, SMBC portion	Stockholder's Equity	(*4) SMFG, SMBC portion	Operating Profit	Net Income	(*5) Consolidated / Equity Method
[Sumitomo Mitsui Financial Group]										
Sumitomo Mitsui Card Company, Limited	Credit card business	Mar. 03	791.7	283.6	21.4	96.6	170.6	24.8	14.0	Consolidated
SMBC Leasing Company, Limited	Leasing business	Mar. 03	1,678.1	891.2	98.6	139.9	143.4	7.4	3.1	Consolidated
The Japan Research Institute, Limited	Economic research, system engineering and management consulting business	Mar. 03	65.0	22.4	14.0	21.1	20.0	10.1	7.9	Consolidated
Daiwa Securities SMBC Co. Ltd.	Securities business and derivatives business	Mar. 03	6,222.0	1,756.3	175.0	353.8	163.2	16.6	6.4	Equity Method
Daiwa SB Investments Ltd.	Investment advisory and investment trust business	Mar. 03	10.4	-	-	8.5	8.0	0.5	(0.0)	Equity Method
[Sumitomo Mitsui Banking Corporation]										
THE MINATO BANK, LTD.	Commercial Banking business	Mar. 03	2,810.5	91.0	30.2	77.3	4.8	7.1	1.1	Consolidated
The Bank of Kansai, Ltd.	Commercial Banking business	Mar. 03	1,281.3	23.0	23.0	43.5	37.1	4.7	2.1	Consolidated
The Kangin Lease Company, Limited	Leasing business	Mar. 03	28.8	23.8	15.1	3.4	-	0.4	0.3	Consolidated
The Kangin Service Company, Limited	Management of real estate for branches	Mar. 03	17.5	7.6	7.2	6.8	-	0.4	0.2	Consolidated
The Japan Net Bank, Limited	Commercial Banking business via Internet	Mar. 03	169.8	41.3	-	8.1	11.4	(2.8)	(2.8)	Consolidated
SMBC Guarantee Co., Ltd.	Credit guarantee business	Mar. 03	7,149.1	-	-	86.2	94.7	(15.9)	(16.0)	Consolidated
The SC Card Business Company, Limited	Service for credit card members	Mar. 03	3.5	1.3	1.3	0.1	-	(2.4)	(3.4)	Consolidated
SAKURA CARD CO., Ltd.	Credit card business	Mar. 03	227.8	40.7	19.0	15.3	10.7	2.2	1.6	Consolidated
At-Loan Co., Ltd.	Loan business	Mar. 03	87.0	69.0	69.0	2.5	13.0	(8.2)	(8.2)	Consolidated
SMBC Capital Co., Ltd.	Venture capital business	Mar. 03	13.2	10.4	10.4	2.3	1.7	(0.6)	(0.5)	Consolidated
SMBC Consulting Co., Ltd.	Management Consulting business	Mar. 03	2.8	-	-	1.9	1.8	1.0	0.6	Consolidated
SMBC Finance Co. Ltd.	Factoring and loan business	Mar. 03	588.1	430.5	282.9	73.9	110.0	6.2	0.5	Consolidated
SMBC Mortgage Co., Ltd.	Mortgage Securities business	Mar. 03	316.1	305.9	302.9	9.3	4.1	4.6	3.8	Consolidated
Mitsui Finance Service Co., Ltd.	Collecting agent and factoring business	Mar. 03	112.8	34.1	30.5	3.4	-	0.8	0.8	Consolidated
Sakura Finance Co., Ltd.	Collecting agent and factoring business	Mar. 03	94.6	32.5	32.5	2.2	-	(2.3)	(1.4)	Consolidated
Financial Link Company, Limited	Data processing and management consulting	Dec. 02	0.2	-	-	0.2	0.2	(0.0)	(0.0)	Consolidated
Sakura Friend Securities Co., Ltd.	Securities business	Mar. 03	56.4	4.3	-	37.0	21.2	(1.6)	(6.3)	Consolidated
Meiko National Securities Co., Ltd.	Securities business	Mar. 03	88.0	-	-	52.1	17.5	(0.5)	(3.4)	Consolidated
Sakura KCS Corporation	System engineering and data processing business	Mar. 03	17.9	0.8	0.4	12.0	0.2	0.6	0.1	Consolidated
Sakura Information Systems Co., Ltd.	System engineering and data processing business	Mar. 03	17.6	6.0	3.8	7.3	0.0	0.5	0.1	Consolidated
SMBC Business Servicing Co., Ltd.	Servicer	Mar. 03	3.7	0.7	0.7	1.0	0.5	0.4	0.2	Consolidated
Global Factoring Co., Ltd.	Factoring business	Mar. 03	198.2	162.4	162.4	0.1	-	0.1	0.1	Consolidated
Sumitomo Mitsui Asset Management Company, Limited	Investment advisory and investment trust business	Mar. 03	16.8	-	0.0	11.7	3.4	0.8	(0.2)	Equity Method
DLJdirect SFG Securities Co. Ltd.	On-line discount securities brokerage service	Mar. 03	93.3	6.0	-	3.0	1.3	(0.1)	(0.3)	Equity Method
Japan Pension Navigator Co., Ltd.	Defined contribution pension plans	Mar. 03	2.4	-	-	2.2	1.2	(0.7)	(0.7)	Equity Method
QUOQ Inc.	Purchase of monetary assets and credit guarantee business	Mar. 03	1,057.8	138.8	132.0	33.6	2.9	4.6	1.7	Equity Method
[SMBC Leasing Company, Limited]										
SMBC Auto Leasing Company, Limited	Leasing business	Mar. 03	181.4	124.9	23.5	10.3	-	1.6	0.6	Consolidated
Mazda Auto Leasing Company, Limited	Leasing business	Mar. 03	10.1	7.7	1.5	1.3	-	0.3	0.6	Consolidated
SAKURA LEASING CO, LTD.	Leasing business	Mar. 03	99.5	89.2	75.8	1.2	-	2.1	1.0	Consolidated
Space Service LLC.	Leasing business	Mar. 03	5.9	4.7	2.8	0.0	-	(0.0)	(0.0)	Consolidated
SBL Partners LLC.	Factoring business	Dec. 02	14.5	14.3	14.3	0.0	-	0.0	0.0	Consolidated
The Awagin Lease Company Limited	Leasing business	Mar. 03	42.7	32.6	1.5	5.8	-	(1.0)	(1.1)	Equity Method
The San-in General Lease Company Limited	Leasing business	Mar. 03	50.7	43.1	1.5	4.1	-	0.9	0.5	Equity Method
Miegin General Leasing Co.Ltd.	Leasing business	Mar. 03	12.1	9.7	0.9	1.4	-	0.2	0.1	Equity Method
NEC Leasing, Ltd.	Leasing business	Mar. 03	706.9	638.7	77.6	34.3	-	8.1	4.8	Equity Method

(Table 7) Overseas Subsidiaries and Affiliates (*1)

(Millions of local currency, except Indonesia (in Billions))

Company Name	Main Business	Currency	Latest Fiscal Term	Total Asset	(*2) Total Borrowing	(*3,*4) SMFG, SMBC portion	Stockholder's Equity	(*4) SMFG, SMBC portion	Operating Profit	Net Income	(*5)
											Consolidated / Equity Method
[Sumitomo Mitsui Banking Corporation]											
Sumitomo Mitsui Banking Corporation Europe Limited	Commercial Banking business	US\$	Mar.03	12,158	87	4,523	1,705	1,700	6	5	Consolidated
Manufacturers Bank	Commercial Banking business	US\$	Dec.02	1,158	15	1	188	283	12	7	Consolidated
Sumitomo Mitsui Banking Corporation of Canada	Commercial Banking business	CAN\$	Jan.03	1,533	61	31	150	122	10	5	Consolidated
Banco Sumitomo Mitsui Brasileiro S.A.	Commercial Banking business	R\$	Dec.02	1,268	502	512	312	302	181	129	Consolidated
PT Bank Sumitomo Mitsui Indonesia	Commercial Banking business	RPIAH	Dec.02	6,469	928	2,120	1,212	960	265	184	Consolidated
SMBC Leasing and Finance, Inc.	Leasing business	US\$	Dec.02	1,142	230	198	731	690	45	18	Consolidated
SMBC Capital Markets, Inc.	Investment and derivative business	US\$	Dec.02	4,987	288	2,978	850	609	676	433	Consolidated
SMBC Capital Markets Limited	Investment and derivative business	US\$	Dec.02	1,146	35	-	332	300	5	3	Consolidated
Sumitomo Mitsui Finance Australia Limited	Finance business	A\$	Dec.02	2,333	1,907	1,840	66	105	16	12	Consolidated
SMBC Securities, Inc.	Securities business	US\$	Dec.02	291	242	25	45	40	1	0	Consolidated
SFVI Limited	Investment business	US\$	Dec.02	508	-	-	508	500	20	20	Consolidated
Sakura Capital Funding (Cayman) Limited	Finance business	US\$	Dec.02	509	498	83	0	0	(0)	(0)	Consolidated
Sakura Finance (Cayman) Limited	Finance business	US\$	Dec.02	1,908	1,903	1,907	0	0	0	0	Consolidated
Sumitomo Finance International plc	Investment business	STG	Dec.02	283	118	71	125	200	12	12	Consolidated
SMBC International Finance N.V.	Finance business	US\$	Dec.02	4,553	4,513	4,383	1	0	0	0	Consolidated
BSL Leasing Co., Ltd.	Leasing business	TBAH	Dec.02	1,572	1,134	94	181	6	100	67	Equity Method
[SMBC Leasing Company, Limited]											
SMBC Leasing (Singapore) Pte Ltd.	Leasing business	S\$	Dec.02	166	136	103	9	-	(8)	(8)	Consolidated
SMBC Leasing (Hong Kong) Limited	Leasing business	HK\$	Dec.02	963	911	735	56	-	8	8	Consolidated
SMBC Leasing (Thailand) Co., Ltd.	Leasing business	TBAH	Dec.02	1,426	1,093	958	201	-	35	24	Consolidated
SMBC Leasing (Guangzhou) Co., Ltd.	Leasing business	RMB	Dec.02	119	35	35	74	-	2	1	Consolidated
SMBC Leasing (Malaysia) Sdn. Bhd.	Leasing business	RM	Dec.02	114	94	97	6	-	1	1	Consolidated
SMBC Leasing (UK) Limited	Leasing business	STG	Dec.02	22	17	11	4	-	0	0	Consolidated
P.T. EXIM SB Leasing	Leasing business	RPIAH	Dec.02	191	255	152	32	0	0	0	Consolidated

(*1) Only the subsidiaries and affiliates which borrowed over one hundred million yen from Sumitomo Mitsui Financial Group or Sumitomo Mitsui Banking Corporation are indicated in these tables. Financial data of foreign subsidiaries and affiliates are denoted by local currency (in millions, except Indonesia (in billions)).

(*2) Including bonds and commercial papers.

(*3) Including guarantees.

(*4) Indicated as the combined basis of SMFG and SMBC.

(*5) Based on Sumitomo Mitsui Financial Group's consolidated financial results.

(*6) For the companies reporting Operating Losses, Net Losses or Retained Losses, projection of income and position in the group strategy of SMFG and SMBC are described in the next page .

(*7) Meiko National Securities Co.,Ltd and Financial Link Company, Limited and two other companies become consolidated companies through acquisition, and nine newly established companies, including Sumitomo Mitsui Banking Corporation Europe Limited are consolidated from the FY02 period.

Twenty three companies formerly excluded from the scope of consolidation are consolidated again from FY02 period.

SAKURA INVESTMENT MANAGEMENT CO.,LTD and four companies were merged, Sumitomo Mitsui Finance Australia (Securities) Limited and five companies were liquidated, SB AUTO SERVICE CO., LTD. was sold, and they were unconsolidated from the FY02 interim period.

SMFG Finance (Cayman) Limited and SMFC Holdings (Cayman) Limited, newly established, and NEC Leasing, Ltd, newly acquired through share acquisition, are accounted as affiliates by equity method since this consolidated fiscal year. Sumitomo Mitsui Asset Management, Ltd is accounted as an affiliate by equity method due to its share acquisition of SAKURA INVESTMENT MANAGEMENT CO, LTD through the merger between the two, since this consolidated fiscal year. In addition, affiliates such as Awagin Lease company, Limited and other eight companies, previously consolidated, has been accounted as affiliates by equity method since this consolidated fiscal year.

Meiko National Securities and one other company, being consolidated subsidiaries through acquisition, is excluded from the list of affiliates under equity method. Bangkok SMBC Systems Ltd. and one other company, repudiated, has already been excluded from the list of affiliates under equity method.

Details of (*5)

Company name	Earnings projections	Strategic position within group
Daiwa SB Investments Ltd.	100 million yen of net income in FY2003	Investment company strategically created with Daiwa Securities group
The Kangin Service Company, Limited	Secure positive bottom line in FY2003	Kansai Bank's subsidiary for holding and managing the bank's real estate
The Japan Net Bank, Limited	Net loss of 2.8 billion yen in FY2002 (year-over-year increase of 2.6 billion yen). Striving to go into black at early date.	Internet specialized bank
SMBC Guarantee Co., Ltd.	Sumigin Guarantee Company, Limited became its wholly-owned subsidiary in March 2002. Expected to be in black on consolidated basis in FY2004, and currently progressing nearly in line with targets.	SMBC's housing loan guarantee subsidiary
The SB Card Business Company, Limited	Secure positive bottom line in FY2003	Subsidiary providing services to SMBC's card holders
At-loan Co., Ltd.	Currently in red due to start-up costs. Aiming for black ink at early date by increasing outstanding loan balance.	Group's lone consumer loan specialized company
SMBC Capital Co., Ltd.	Expected to be in black in FY2003 thanks to increase in management fees from establishment of new funds, and decrease in amount of write-offs of invested stocks.	Strategic subsidiary for promoting active equity investment in growth companies
SMBC Mortgage Co., Ltd.	Secure positive bottom line in FY2003	SMBC's finance subsidiary
Sakura Finance Service Co., Ltd.	Secure positive bottom line in FY2003 (new company name SMBC Finance Service Co., Ltd. after merger on April 1, 2003)	SMBC's finance and factoring subsidiary
Financial Link Company, Limited	Expected to go into black in FY2003 thanks to contracts awarded.	Strategic subsidiary that coordinates financial services such as outsourcing of settlement operations and fund administration with SMBC and group companies
Sakura Friend Securities Co., Ltd.	Sakura Friend Securities and Meiko National Securities merged in April 2003 to form SMBC Friend Securities Co., Ltd. Net loss (but secured ordinary profit) in FY2002 due to merger-related extraordinary losses.	SMBC's retail securities subsidiary
Meiko National Securities Co., Ltd.	Aiming for net income in FY2003 as ordinary profit expected to rise thanks to keeping down expenses as a merger effect.	SMBC's retail securities subsidiary
Sumitomo Mitsui Asset Management Company, Ltd.	Created from merger of five asset management subsidiaries of SMBC, Mitsui Mutual Life Insurance Company, Sumitomo Life Insurance Company and Mitsui Sumitomo Insurance Co., Ltd in December 2002. FY2002 net loss (but achieved ordinary profit). Aiming for positive bottom line by increasing ordinary profit by keeping down expenses as a merger effect.	SMBC's affiliated company in the field of asset management
DLJdirect SFG Securities Inc.	Achieved ordinary profit in FY2002 but negative bottom line. Strengthening earnings power by keeping down expenses and other measures to expand ordinary profit in order to achieve positive bottom line.	One of core players of SMBC's Internet strategy, engaged in retail securities
Japan Pension Navigator Co., Ltd.	Earnings power increasing with operation starting to move on full-scale basis and improving level of services. Aiming for positive bottom line at early date but depreciation of initial systems investment drag on earnings and expected to remain in red for some time to come.	Core company in defined contribution pension plan business
Space Service LLC.	Flat	SPC of SMBC Leasing Company
The Awagin Lease Company, Limited	Go into black in FY2003	Affiliate of SMBC Leasing Company
Sumitomo Finance International plc	Net income in fiscal year ended Dec,2002. Aiming to maintain black figure in fiscal year ended Dec,2003.	Investment company
SMBC Leasing (Singapore) Pte Ltd.	Secure positive bottom line in fiscal year ended Dec. 2003.	Overseas sbusidiary of SMBC Leasing
SMBC Leasing (Hong Kong) Limited	Secure positive bottom line in fiscal year ended Dec. 2003.	Overseas sbusidiary of SMBC Leasing
SMBC Leasing (Guangzhou) Co., Ltd.	Secure positive bottom line in fiscal year ended Dec. 2003.	Overseas sbusidiary of SMBC Leasing
P.T.EXIM SB Leasing	Concentrate on recovering loans with a view to liquidation	Overseas sbusidiary of SMBC Leasing

(Table 10) Loans and Bills Discounted
[Sumitomo Mitsui Banking Corporation (Non-conconsolidated)]

(Balance) (Billions of yen)

		Mar.31,02 actual (A)	Mar.31,03 plan (B)	Mar.31,03 actual (C)
Domestic	including Impact Loans	55,302.2	53,942.2	54,208.0
	excluding Impact Loans	53,879.6	52,519.6	53,330.9
Small and Medium-sized enterprises *1	including Impact Loans	26,412.3	25,982.3	24,037.3
	excluding Impact Loans	25,970.1	25,540.1	23,731.4
Loans with guarantee of Credit Guarantee Corporation		2,435.5	2,135.5	1,975.5
Individuals (excluding business loans)		12,493.0	13,143.0	12,775.1
Housing Loans		10,810.8	11,460.8	11,161.4
Others		16,396.9	14,816.9	17,395.6
Overseas		4,626.2	4,126.2	3,074.4
Total		59,928.4	58,068.4	57,282.4

(Adjusted basis <excluded factors shown below>)

(Billions of yen)

		Mar.31,03 plan (B)-(A)+(a)	Mar.31,03 actual (C)-(A)+(b)	
Domestic	including Impact Loans	(480.0)	1,698.4	
	excluding Impact Loans	(480.0)	2,243.9	
Small and Medium-sized enterprises *1	including Impact Loans	70.0	(866.0)	
	excluding Impact Loans	70.0	(729.7)	#1

*1 Small and Medium-sized enterprises = Loans to following enterprises.

- Wholesaling enterprise whose capital is Y100 mil. or less or number of employees is 100 or less
- Services enterprise whose capital is Y50 mil. or less or number of employees is 100 or less
- Retailing enterprise whose capital is Y 50mil. or less or number of employees is 50 or less
- Other enterprise whose capital is Y300 mil. or less or number of employees is 300 or less
- Unincorporated enterprise

(Factors for reduction in loans)

(Billions of yen)

	FY02 Plan (a)		FY02 Actual (b)	
		Small and Medium-sized enterprises		Small and Medium-sized enterprises
Direct Write-offs *1			+ 253.6	+ 11.6
Secondary losses on loans sold to CCPC *2			+ 104.7	+ 104.7
Sales and securitization of loans *3	+ 880.0	+ 500.0	+ 891.4	+ 312.0
Direct reduction *4			+ 434.2	+ 326.8
Sales of loans to RCC *5			+ 99.8	+ 63.2
Bulk-sales and others *6			+ 321.9	+ 296.3
Others *7			+ 687.0	+ 394.4
Total	+ 880.0	+ 500.0	+ 2,792.6	+ 1,509.0

*1 Direct write-offs which are allowed to be tax deductible.

*2 Losses due to the disposition of collaterals of loans sold to CCPC, etc.

*3 Mainly sales and securitization of normal loans.

*4 Of those reduced in this fiscal year.

*5 Losses due to the sales of loans to the specific bank defined in Article 53 of Financial Reconstruction Law.

*6 Losses due to bulk-sales of problem assets and other credit costs.

*7 Amount of credit given that are virtually equivalent to that of loan, such as private placement etc.

(Table 13) The Results of Asset Audits in compliance with Article 3.2 of the Financial Revitalization Law

(Billions of yen)

	Mar. 31, 02 *1 Non-consolidated	Mar. 31, 02 *1 Consolidated	Mar. 31, 03 *2 Non-consolidated	Mar. 31, 03 *3 Consolidated
Bankrupt and Quasi-Bankrupt Assets	493.5	638.2	524.9	656.0
Doubtful Assets	2,970.2	3,263.4	2,129.5	2,340.2
Substandard Loans	2,436.3	2,666.1	2,606.9	2,857.6
Sub-total	5,900.0	6,567.7	5,261.3	5,853.8
Normal Assets	60,558.9	61,896.4	57,313.4	59,330.5
Total	66,458.9	68,464.1	62,574.7	65,184.3

*1 The numbers of FY01 are those of former Sumitomo Mitsui Banking Corporation.

*2 The numbers of FY02 of non-consolidated are those of Sumitomo Mitsui Banking Corporation.

*3 The numbers of FY02 of consolidated are those of Sumitomo Mitsui Financial Group.

Reserve for Possible Loan Losses

(Billions of yen)

	Mar. 31, 02 *1 Non-consolidated	Mar. 31, 02 *1 Consolidated	Mar. 31, 03 *2 Non-consolidated	Mar. 31, 03 *3 Consolidated
General Reserve	872.3	929.5	1,113.2	1,173.9
Specific Reserve	1,084.1	1,214.7	950.0	1,058.0
Loan Loss Reserve for Specific Overseas Countries	15.4	15.4	11.6	11.6
Sub-total	1,971.8	2,159.6	2,074.8	2,243.5
Reserve for Possible Losses on Loans Sold to CCPC	80.6	86.4	17.2	20.7
Total	2,052.4	2,246.0	2,092.0	2,264.2

*1 The numbers of FY01 are those of former Sumitomo Mitsui Banking Corporation.

*2 The numbers of FY02 of non-consolidated are those of Sumitomo Mitsui Banking Corporation.

*3 The numbers of FY02 of consolidated are those of Sumitomo Mitsui Financial Group.

(Table 14) Risk-Monitored Loans

(Billions of yen)				
	Mar. 31, 02 *1 Non-consolidated	Mar. 31, 02 *1 Consolidated	Mar. 31, 03 *2 Non-consolidated	Mar. 31, 03 *3 Consolidated
Bankrupt Loans (A)	195.7	227.5	172.4	201.4
Non-Accrual Loans (B)	3,184.5	3,599.8	2,390.2	2,710.2
Past Due Loans (3 Months or more) (C)	92.3	102.8	114.7	130.3
Restructured Loans (D)	2,344.0	2,554.3	2,492.2	2,728.8
(1)Reduction of the original interest rate	506.0	510.6	523.5	559.5
(2)Forbearance of interest payments	3.5	33.5	8.0	33.2
(3)Loans to supported companies	16.2	16.2	---	---
(4)Forbearance of principal repayments	1,809.5	1,977.7	1950.6	2,121.9
(5)Others	8.8	16.3	10.1	14.2
Total (E)=(A)+(B)+(C)+(D)	5,816.5	6,484.4	5,169.5	5,770.7
Direct Reduction	1,373.7	1,768.8	925.5	1,273.4
Ratio (E)/ Total Loans	9.7%	10.2%	9.0%	9.4%

*1 The numbers of FY01 are those of former Sumitomo Mitsui Banking Corporation.

*2 The numbers of FY02 of non-consolidated are those of Sumitomo Mitsui Banking Corporation.

*3 The numbers of FY02 of consolidated are those of Sumitomo Mitsui Financial Group.

(Table 15) Disposition of Problem Assets

<Non-consolidated> (Billions of yen)

	FY01 *2 Actual	FY02 *3 Actual
Credit Cost (A)	1,038.6	836.4
Transfer to Specific Reserve	663.2	375.4
Write-off of loans and other related losses (C)	342.9	449.7
Write-off of loans	271.9	259.7
Losses on Sales of Loans to CCPC	8.4	16.4
Losses on Sales of Loans to RCC *1	2.7	22.0
Losses on Bulk Sales	47.9	126.9
Losses on Debt Forgiveness	12.0	24.7
Transfer to Reserve for Possible Losses from Loans Sold to CCPC	37.0	15.2
Transfer to Reserve for Supporting Specific Borrowers	---	---
Transfer to Loan Loss Reserve for Specific Overseas Countries	(4.5)	(3.9)
Transfer to General Reserve for Possible Loan Losses (B)	504.5	238.1
Total (A)+(B)	1,543.1	1,074.5

<Reference>

Direct Write-off of loans already reserved (D)	573.7	1,131.7
Gross Direct Write-offs (C) + (D)	916.6	1,581.4

*1 Losses due to the sales of loans to the specific bank defined in Article 53 of Financial Reconstruction Law.

*2 The numbers of FY01 are those of former Sumitomo Mitsui Banking Corporation.

*3 The numbers of FY02 include those of Sumitomo Mitsui Banking Corporation before the merger (From and including April 1, 2002 to and including March 16, 2003).

<Consolidated>

	FY01 *2 Actual	FY02 *3 Actual
Credit Cost (A)	1,176.0	950.3
Transfer to Specific Reserve	681.5	408.0
Write-off of loans and other related losses (C)	460.4	529.5
Write-off of loans	380.0	339.9
Losses on Sales of Loans to CCPC	9.8	17.1
Losses on Sales of Loans to RCC *1	3.0	22.0
Losses on Bulk Sales	55.6	125.8
Losses on Debt Forgiveness	12.0	24.7
Transfer to Reserve for Possible Losses from Loans Sold to CCPC	38.7	16.7
Transfer to Reserve for Supporting Specific Borrowers	---	---
Transfer to Loan Loss Reserve for Specific Overseas Countries	(4.6)	(3.9)
Transfer to General Reserve for Possible Loan Losses (B)	527.4	250.6
Total (A)+(B)	1,703.4	1,200.9

<Reference>

Direct Write-off of loans already reserved (D)	681.8	1,280.9
Gross Direct Write-offs (C) + (D)	1,142.2	1,810.4

*1 Losses due to the sales of loans to the specific bank defined in Article 53 of Financial Reconstruction Law.

*2 The numbers of FY01 are those of former Sumitomo Mitsui Banking Corporation.

*3 The numbers of FY02 are those of Sumitomo Mitsui Financial Group (consolidated).

(Table 17) Bankruptcies in FY2002 *1

[Sumitomo Mitsui Banking Corporation (Non-consolidated)]

(Billions of yen)

Internal Grading	Internal Grading One Year Before the Bankruptcy		Internal Grading Six Month Before the Bankruptcy	
	Number of Bankruptcies	Outstanding Exposure	Number of Bankruptcies	Outstanding Exposure
1	0	0.0	0	0.0
2	0	0.0	0	0.0
3	0	0.0	0	0.0
4A	0	0.0	0	0.0
4B	2	3.1	1	0.2
4C	7	2.5	6	2.3
5A	17	6.0	14	5.3
5B	23	5.1	18	3.4
5C	34	5.7	27	4.0
6	39	4.0	36	3.5
7	181	106.4	150	83.3
8	87	95.7	104	96.7
9	30	53.9	66	84.6
No Grading *2	49	5.8	47	4.9
Total	469	288.2	469	288.2

*1 Bankruptcies with credit amount less than 50 million yen are excluded.

*2 "No Grading" includes individuals and companies without financial data.

(Reference) Problem Assets Based on the Financial Reconstruction Law

(Billions of yen)

	Mar. 31, 03
Bankrupt and Quasi-Bankrupt Assets	524.9
Doubtful Assets	2,129.5
Substandard Loans	2,606.9
Normal Assets	57,313.4
Total	62,574.7

(Table 18) Unrealized Gains(Losses). (as of Mar. 31, 03)

[Sumitomo Mitsui Banking Corporation (Non-consolidated)]

Securities

(Billions of yen)

		Outstanding Balance	Net Unrealized Gains(Losses)		
				Gains	Losses
Held-to- maturity purpose	Securities *1,*2	286.2	3.8	3.9	0.1
	Bond	261.0	2.8	2.8	---
	Stock	---	---	---	---
	Other	25.2	1.0	1.1	0.1
	Money Held in Trust *1	---	---	---	---
Subsidiaries, etc.	Securities *1,*2	1,200.7	(20.4)	0.6	21.0
	Bond	---	---	---	---
	Stock	345.4	(20.4)	0.6	21.0
	Other	855.3	---	---	---
	Money Held in Trust *1	---	---	---	---
Other Securities	Securities *1,*2	22,227.7	(17.8)	257.7	275.5
	Bond	14,463.4	108.7	112.4	3.7
	Stock	3,162.8	(152.3)	105.3	257.6
	Other	4,601.5	25.8	40.0	14.2
	Money Held in Trust *1	23.0	0.0	0.5	0.5

Others

(Billions of yen)

	Book Value	Market Value	Net Unrealized Gains(Losses)		
				Gains	Losses
Premises used in Business *3	341.1	344.9	3.8	12.6	8.8
Other Premises	---	---	---	---	---
Other Assets	---	---	---	---	---

*1 Unrealized gains(losses) are calculated as follows;

Securities and Money Held in Trust with market value: Market prices as of balance sheet date.

But for the stocks in the "Other Securities", unrealized gains(losses) are based on the average market price during the final month of the interim period.

*2 Securities include following items, which are not categorized as "Securities" in the balance sheet.

Negotiable certificates of deposit included in item "Deposits with Banks" and commercial papers as well as claims on loan trust included in item "Commercial Papers and Other Purchased".

*3 Based on revaluation of land at fair value as of March 31, 1998 and March 31, 2002 under the Revaluation Act of Land Properties and the law concerning amendment of the Law.

Book Value: Book value after the revaluation.

Market Value: Market value as of March 31, 2003.

(Table 18) Unrealized Gains(Losses). (as of March 31,2003)

[Sumitomo Mitsui Financial Group (consolidated)]

Securities (Billions of yen)

		Outstanding Balance	Net Unrealized Gains(Losses)		
				Gains	Losses
Held-to- maturity purpose	Securities *1,*2	387.5	5.9	6.0	0.1
	Bond	334.5	4.9	4.9	---
	Stock	---	---	---	---
	Other	53.0	1.0	1.1	0.1
	Money Held in Trust *1	---	---	---	---
Subsidiaries, etc.	Securities *1,*2	196.3	---	---	---
	Bond	---	---	---	---
	Stock	188.5	---	---	---
	Other	7.8	---	---	---
	Money Held in Trust *1	---	---	---	---
Other Securities	Securities *1,*2	23,599.6	(30.6)	272.9	303.6
	Bond	15,312.1	111.2	117.1	5.9
	Stock	3,284.4	(165.4)	113.0	278.4
	Other	5,003.1	23.6	42.9	19.3
	Money Held in Trust *1	23.0	0.0	0.5	0.5

Others (Billions of yen)

	Book Value	Market Value	Net Unrealized Gains(Losses)		
				Gains	Losses
Premises used in Business *3	348.1	350.5	2.4	12.6	10.2
Other Premises	---	---	---	---	---
Other Assets	---	---	---	---	---

*1 Unrealized gains(losses) are calculated as follows;

Securities and Money Held in Trust with market value: Market prices as of balance sheet date.

But for the stocks in the "Other Securities", unrealized gains(losses) are based on the average market price during the final month of the interim period.

*2 Securities include following items, which are not categorized as "Securities" in the balance sheet.

Negotiable certificates of deposit included in item "Deposits with Banks" and commercial papers as well as claims on loan trust included in item "Commercial Papers and Other Purchased".

*3 Based on revaluation of land at fair value as of March 31, 1998 and March 31, 1999 and March 31, 2002 under the Revaluation Act of Land Properties and the law concerning amendment of the Law.

Book Value: Book value after the revaluation.

Market Value: Market value as of March 31, 2003.

(Table 19) Derivatives and Foreign Forward Contracts

[Sumitomo Mitsui Financial Group (consolidated)]

(Billions of Yen)

	Contract Amount or Nominal Principal Amount		Credit Risk Equivalent Amount	
	Mar.31, 02 *2	Mar. 31, 03	Mar.31, 02 *2	Mar.31, 03
Financial Futures Contracts	118,364.9	203,563.1	---	---
Interest Rate Swap	202,263.5	225,782.9	3,155.1	4,004.7
Currency Swap	12,024.7	12,914.9	900.4	871.9
Foreign Exchange Forward Contracts	42,393.4	38,376.9	1,292.2	950.6
Interest Rate Options (Buy)	4,660.3	4,300.9	55.1	63.6
Currency Options (Buy)	3,745.9	3,214.5	118.1	105.8
Other Derivative Instruments	21,230.1	24,482.6	31.8	49.5
Effect of Master Netting Agreements	---	---	(2,806.5)	(2,882.5)
Total	404,682.8	512,635.8	2,746.3	3,163.6

*1 Figures given above were computed according to capital adequacy guidelines set by the BIS. Followings were also added.

-Listed transactions

-Options (sell)

-Transactions for which the original contract has a maturity of 14 days or less

*2 The numbers of FY01 are those of former Sumitomo Mitsui Banking Corporation (consolidated)

(Table 20) Credit Portfolio (as of Mar. 31, 03)

[Sumitomo Mitsui Banking Corporation (Non-consolidated)]

(Billions of Yen)

	Counterparty with rating equivalent to BBB/Baa or higher	Counterparty with rating equivalent to BB/Ba or lower	Others *2	Total
Credit Risk Equivalent	379.5	2.6	8.5	390.6
Credit Cost	0.3	0.0	0.1	0.4
Amount of Credit Risk	1.7	0.1	0.4	2.2

*1 Tentative calculation for interest rate and foreign currency related derivative transactions with financial institutions located in Tokyo, New York, Hong Kong and Singapore by the Treasury Unit.

*2 Corporations without credit ratings by rating agencies.

Reasons for the Differences between the Plan and the Actual Results

(Table 1-1)

(#1) Securities: 7,530.4 billion yen above the plan

Due mainly to increases in TBs, FBs, and medium- and long-term JGBs from ALM operation on interest rate trends in the Japanese and overseas markets.

(#2) Deferred tax assets (term-end balance): 1,084.6 billion yen above the plan

Caused by factors such as the increase in credit cost from the accelerated disposition of non-performing assets, the large write-off due to greater-than-expected stock impairment, and the rise in effective tax rate due to the implementation of nation-wide external standards taxation.

(#3) Capital stock: 766.7 billion yen below the plan

Capital reserve: 447.1 billion yen below the plan

- a. Capital stock and capital reserve combined decreased, on a net basis, 399.4 billion yen year-on-year due to factors such as the transfer of management business to SMFG as a part of the group's structural reform upon the establishment of the holding company.
- b. Capital stock and capital reserve combined increased 450.3 billion yen year-on-year due to the issuance of common stock by direct allotment to SMFG.
- c. Capital stock and capital reserve respectively decreased year-on-year 578.8 billion yen and 826.7 billion yen due to the merger accounting applied to the merger of the former SMBC and the former Wakashio Bank. At the time of the merger, the amount of stockholders' equity of Wakashio Bank consisted of 80.8 billion yen in capital stock, and 60.0 billion yen in capital reserve.

(#4) Net unrealized loss on other securities: 238.1 billion yen below the plan

Due to the write-off of unrealized losses on stocks at the time of merger.

(#5) Gross banking profit: 260.6 billion yen above the plan

Due to factors such as higher profit of the Treasury Unit from its effective ALM operation on trends in yen and U.S. dollar interest rates.

(#6) Banking profit before transfer to general reserve for possible loan losses:
263.5 billion yen above the plan

Factors such as the increase in gross banking profit (#5), and the greater-than-expected reduction, by over 3.0 billion yen, in expenses even after

combining 8.1 billion yen in expenses of the former Wakashio Bank, through streamlining of workforce, additional cuts in bonuses, early completion of branch network integration, and the promotion of operational rationalization.

(#7) Total credit cost: 574.5 billion yen above the plan

Due to the aggressive disposition of non-performing assets, such as the acceleration of “off-balancing” and the new application of “specific-type” reserves based on the DCF-method for large borrowers in the substandard category, in line with the basic concept of the Program for Financial Revival and others.

(#8) Gains (losses) on stocks: 565.7 billion yen below the plan

Against a background of greater-than-expected drop in stock prices, SMBC recorded 108.2 billion yen in losses on stocks sold for off-balancing purposes, and a write-off of 527.5 billion yen due to stock impairment.

(#9) Ordinary profit (loss): 827.2 billion yen below the plan

Net income (loss): 558.3 billion yen below the plan

The higher banking profit (#6) was not enough to off set the greater-than-expected increases in total credit cost (#7) and losses on stocks (#8).

(#10) ROE (Banking profit before transfer to general reserve for possible loan losses / Stockholders' equity <average balance>): 14.28% above the plan

Due to the lower shareholders' equity from (#3) and (#4), and the higher banking profit before transfer to general reserve for possible loan losses (#6).

(Table 2: non-consolidated)

(#1) Capital stock: 766.7 billion yen below the plan

Capital reserve: 447.1 billion yen below the plan

- a. Capital stock and capital reserve combined decreased, on a net basis, 399.4 billion yen year-on-year due to factors such as the transfer of management business to SMFG as a part of the group's structural reform upon the establishment of the holding company.
- b. Capital stock and capital reserve combined increased 450.3 billion yen year-on-year due to the issuance of common stock by direct allotment to SMFG.
- c. Capital stock and capital reserve respectively decreased year-on-year 578.8 billion yen and 826.7 billion yen due to the merger accounting applied to the merger of the former SMBC and the former Wakashio Bank. At the time of the merger, the amount of stockholders' equity of Wakashio Bank

consisted of 80.8 billion yen in capital stock, and 60.0 billion yen in capital

(#2) Net unrealized loss on other securities: 238.1 billion yen below the plan

Due to the write-off of unrealized losses on stocks at the time of merger.

(Table 2: consolidated)

(#1) Net unrealized loss on other securities: 238.6 billion yen below the plan

Due to the write-off of unrealized losses on stocks at the time of merger.

(#2) Foreign currency translation adjustments: 38.3 billion yen below the plan

Due to the stronger-than-expected yen at the fiscal year-end [the plan: 133.5 yen, actual: 120.20 yen].

(Table 10)

(#1) Loans to small- and medium-sized enterprises [adjusted basis]: 799.7 billion yen below the plan

Main factors as follows, despite SMBC's effort to achieve the target.

- a. Reflecting the sluggish economy, loan demand continued to be weak.
- b. Expanded actions taken by corporate customers, especially by the subsidiaries of large corporations, to reduce their interest-bearing liabilities as a part of their financial restructuring measures.
- c. Progress made in collecting on non-performing loans aiming at an early resolution of asset quality problem.