

Progress Report on the Plan for Strengthening the Financial Base

(Selected data from the original Japanese report)

December 2005

Sumitomo Mitsui Financial Group, Inc.

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

Holding company established in December 2002

	FY03 Actual	FY04 Actual	1st half, FY05 Actual
(Scale)<Average balance for Assets and Liabilities, term-end balance for Stockholders' equity> (Billions of yen)			
Total assets	3,360.6	3,478.4	3,697.2
Loans and bills discounted	40.0	40.0	0.9
Securities	3,250.0	3,368.2	3,622.3
Total liabilities	231.9	332.8	419.3
Total stockholders' equity	3,172.7	3,319.6	3,312.7
Capital stock	1,247.7	1,352.7	1,352.7
Capital reserve	1,247.8	1,352.8	1,352.8
Other capital surplus	499.5	499.5	499.5
Earned surplus reserve	-	-	-
Retained earnings*	178.7	384.5	378.5
Treasury stock	(1.0)	(269.9)	(270.8)
(Income) (Billions of yen)			
Ordinary profit	51.2	253.4	12.4
Dividends on investments in subsidiaries and affiliates	47.3	251.7	12.0
Expenses	3.0	2.6	1.7
Personnel expenses	1.7	1.2	0.7
Non-personnel expenses	1.3	1.4	0.9
Extraordinary gains	-	-	27.6
Extraordinary losses	-	-	-
Income before income taxes	51.2	253.4	40.0
Income taxes, current	0.0	(0.3)	0.0
Income taxes, deferred	0.7	1.5	1.6
Net income	50.5	252.2	38.4
(Dividend) (Billions of yen, yen, %)			
Distributable profit	677.3	614.1	
Dividend (including interim dividend)	46.4	44.4	-
Dividend of common stock	17.4	17.6	-
Dividend of preferred stock <public funds>	14.5	12.7	-
Dividend of preferred stock <others>	14.5	14.1	-
Dividend per share (common stock) (yen)	3,000	3,000	-
Dividend per share (Type 1 preferred stock) (yen)	10,500	10,500	-
Dividend per share (Type 2 preferred stock) (yen)	28,500	28,500	-
Dividend per share (Type 3 preferred stock) (yen)	13,700	13,700	-
Dividend per share (Type 4 preferred stock 1st to 12th Series) (yen)	135,000	135,000	-
Dividend per share (Type 4 preferred stock 13th Series) (yen)	67,500	67,500	-
Dividend per share (Type 6 preferred stock 1st Series) (yen)	-	728	-
Dividend rate (preferred stock <public funds>)	1.11	1.15	-
Dividend rate (preferred stock <others>)	2.93	2.96	-
Payout ratio	80.97	7.81	-
(Financial indicators) (%)			
ROE (Net income / Stockholders' equity <average balance>)	1.59	7.77	2.31
ROA (Net income / Total assets <average balance>)	1.50	7.25	2.07

*Retained earnings excluding Earned surplus reserve.

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

	FY03 Actual	FY04 Actual	1st half, FY05 Actual
(Scale)<Average balance for Assets and Liabilities, term-end balance for Stockholders' equity> (Billions of yen)			
Total assets	94,506.6	96,029.8	96,113.4
Loans and bills discounted	54,244.9	50,808.9	50,180.5
Securities	23,815.1	23,703.0	22,550.7
Trading assets	2,993.7	5,128.8	5,833.7
Deferred tax assets <term-end balance>	1,590.5	1,502.2	1,328.5
Total liabilities	92,362.4	93,844.9	94,149.8
Deposits, NCD	62,553.4	65,227.6	66,718.4
Bonds	-	-	-
Trading liabilities	1,842.5	4,006.4	4,425.6
Deferred tax liabilities <term-end balance>	-	-	-
Deferred tax liabilities for Land revaluation <term-end balance>	55.5	90.0	49.6
Total stockholders' equity	2,870.9	2,752.7	3,171.2
Capital stock	560.0	665.0	665.0
Capital reserve	879.7	1,009.9	665.0
Other capital surplus	357.6	357.6	702.5
Earned surplus reserve	-	-	-
Retained earnings*1	676.1	291.3	607.9
Land revaluation excess	81.1	42.3	24.5
Net unrealized gains (losses) on other securities	316.4	386.6	506.3
Treasury stock	-	-	-
(Income) (Billions of yen)			
Gross banking profit	1,584.1	1,522.9	766.6
Interest income	1,392.3	1,318.7	663.0
Interest expenses	305.3	346.2	208.7
Net fees and commissions	226.9	300.7	167.7
Net trading income	280.7	131.6	3.6
Net other operating income (loss)	(10.5)	118.1	141.0
Gains (losses) on bonds	22.7	(21.6)	28.4
Banking profit (before provision for general reserve for possible loan losses)	1,000.1	940.5	474.2
Banking profit	1,000.1	1,292.0	498.5
Provision for general reserve for possible loan losses	-	(351.5)	(24.3)
Expenses	584.0	582.4	292.4
Personnel expenses	221.3	204.1	98.9
Non-personnel expenses	332.2	341.5	177.0
Credit related costs*2	869.2	1,306.3	154.0
Gains (losses) on stocks	103.9	(118.7)	25.0
Losses on devaluation of stocks	10.7	227.6	8.8
Ordinary profit (loss)	185.1	(71.7)	359.8
Extraordinary gains*2	166.8	1.6	2.4
Extraordinary losses	33.1	30.0	7.1
Income taxes, current	12.7	(1.8)	5.1
Income taxes, deferred	5.0	38.5	51.3
Net income (loss)	301.1	(136.8)	298.7
(Dividend) (Billions of yen)			
Distributable profit	793.0	442.4	
Dividend (including interim dividend)			
Dividend of common stock			
Dividend of preferred stock <public funds>			
Dividend of preferred stock <others>			
Dividend per share (common stock) (yen)			
Dividend rate (preferred stock <public funds>)			
Dividend rate (preferred stock <others>)			
Payout ratio			

	FY03 Actual	FY04 Actual	1st half, FY05 Actual
(Financial indicator)			(%)
Yield on interest earning assets (A)	1.71	1.66	1.70
Interest earned on loans (B)	1.79	1.85	1.93
Interest earned on securities	1.04	1.10	1.06
Total cost of funding (including expenses) (C)	1.07	1.12	1.22
Interest paid on deposits (including NCD) (D)	0.14	0.16	0.29
Expense ratio (E)	0.93	0.89	0.87
Personnel expense ratio	0.35	0.31	0.29
Non-personnel expense ratio	0.52	0.52	0.52
Overall interest spread (A) - (C)	0.64	0.53	0.47
Interest spread (B) - (D) - (E)	0.72	0.79	0.76
Non-interest income ratio	14.32	19.74	21.87
OHR (Expenses / Gross banking profit)	36.86	38.24	38.14
ROE*3	38.83	33.44	31.93
ROA*4	1.12	1.04	1.05

*1 Figures are sum of Voluntary reserves and Unappropriated retained earnings.

*2 For FY03, Extraordinary gains include JPY 65.8 billion of Reversal of loan loss reserves and Reversal of reserve for losses on loans sold.

Accordingly, Total credit cost for FY03 (Credit related costs + Reversal of loan loss reserves + Reversal of reserve for losses on loans sold) was JPY 803.4 billion.

*3 Banking profit before provision for general reserve for possible loan losses

Stockholders' equity <average balance>

*4 Banking profit (before provision for general reserve for possible loan losses) /

(Total assets - Customers' liabilities for acceptances and guarantees) <average balance>

(Reference) Trend and Plan of Income [Sumitomo Mitsui Banking Corporation + Sumitomo Mitsui Card Company, Ltd.
+ SMBC Leasing Company, Ltd. + The Japan Research Institute, Ltd.]

	FY03 Actual	FY04 Actual	1st half, FY05 Actual
--	----------------	----------------	--------------------------

(Scale)<Average balance for Assets and Liabilities, term-end balance for Stockholders' equity>

(Billions of yen)

Total assets	96,902.8	98,520.0	98,679.9
Total liabilities	94,488.6	96,040.2	96,394.9
Total stockholders' equity	3,148.5	3,065.0	3,501.7
Capital stock	662.6	767.6	791.6
Capital reserve	961.2	1,091.4	770.4
Other capital surplus	399.0	399.0	702.5
Earned surplus reserve	1.0	1.0	1.0
Retained earnings*1	718.2	364.7	689.3
Land revaluation excess	81.1	42.3	24.5
Net unrealized gains (losses) on other securities	325.3	399.0	522.3
Treasury stock	-	-	-

(Income)

(Billions of yen)

Total net business profits*2	1,049.6	998.0	503.1
Ordinary profit (loss)	225.9	(22.1)	387.3
Extraordinary gains (losses)	134.4	(23.2)	(1.7)
Income taxes, current	36.2	57.8	68.3
Income taxes, deferred			
Net income (loss)	324.2	(103.1)	317.4

(Dividend)

(Billions of yen, %)

Distributable profit <including the holding company>	1,553.8	1,171.4	
Payout ratio (for Common stock of the holding company)	5.89	-	-

(Financial indicator)

(%)

ROE (Total net business profits / Stockholders' equity <average balance>)	36.74	32.12	30.64
ROA (Total net business profits / Total assets <average balance>)	1.08	1.01	1.01

*1 Retained earnings excluding Earned surplus reserve.

*2 Figures are sum of Banking profit of Sumitomo Mitsui Banking Corporation and Operating profit of other three companies.

(Reference) Retained Earnings [Sumitomo Mitsui Financial Group, Inc. + Sumitomo Mitsui Banking Corporation
+ Sumitomo Mitsui Card Company, Ltd. + SMBC Leasing Company, Ltd. + The Japan Research Institute, Ltd.]

(Billions of yen)

	FY04 Actual	1st half, FY05 Actual
Retained earnings*	1,648.8	2,255.7
Other capital surplus	898.5	1,202.0

* Sum of Retained earnings of Sumitomo Mitsui Financial Group, Inc., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Card Company, Ltd., SMBC Leasing Company, Ltd., and The Japan Research Institute, Ltd. (Retained earnings of Sumitomo Mitsui Card Company, Ltd. are included in the figures according to the ownership ratio of Sumitomo Mitsui Financial Group)

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

	FY04 Actual	1st half, FY05 Actual
(Scale)<term-end balance>		(Billions of yen)
Total assets	99,731.9	102,233.8
Loans and bills discounted	54,799.8	56,095.0
Securities	24,233.7	23,579.6
Trading assets	3,769.1	3,627.6
Deferred tax assets	1,598.2	1,414.7
Total liabilities	95,934.9	97,897.0
Deposits, NCD	71,188.1	71,772.3
Bonds	-	-
Trading liabilities	2,110.5	1,786.2
Deferred tax liabilities	45.3	47.4
Deferred tax liabilities for land revaluation	91.0	50.5
Minority interests	1,021.2	1,074.5
Total stockholders' equity	2,775.7	3,262.3
Capital stock	1,352.7	1,352.7
Capital surplus	974.3	974.3
Retained earnings	330.0	697.9
Land revaluation excess	57.9	37.8
Net unrealized gains (losses) on other securities	410.7	533.1
Foreign currency translation adjustments	(79.9)	(62.6)
Treasury stock	(269.9)	(270.8)
(Income)		(Billions of yen)
Ordinary income	3,580.8	1,757.9
Interest income	1,521.7	769.3
Fees and commissions	598.7	332.2
Trading profits	144.6	12.4
Other operating income	1,058.3	576.5
Other income	257.5	67.4
Ordinary expenses	3,611.1	1,294.1
Interest expenses	350.4	215.6
Fees and commissions	80.0	49.2
Trading losses	0.2	0.2
Other operating expenses	867.7	403.6
General and administrative expenses	852.7	421.6
Other expenses	1,460.1	203.9
Write-off of loans	759.4	42.7
Transfer to reserve for possible loan losses	288.9	104.1
Transfer to general reserve for possible loan losses	(201.2)	(39.5)
Transfer to specific reserve for possible loan losses	493.9	143.8
Ordinary profit	(30.3)	463.8
Extraordinary gains	9.1	61.4
Extraordinary losses	87.3	13.9
Income before income taxes	(108.5)	511.3
Income taxes, current	21.8	32.4
Income taxes, deferred	52.9	60.7
Minority interests in net income	51.0	25.9
Net income	(234.2)	392.3

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Financial Group (Consolidated)>

(Billions of yen)

	FY03 Actual	FY04 Actual	1st half, FY05 Actual
Capital stock	1,247.7	1,352.7	1,352.7
Noncumulative perpetual preferred stock	-	-	-
Capital surplus	865.3	974.3	974.3
Retained earnings*1	564.8	285.6	697.9
Minority interests in consolidated subsidiaries	990.4	1,012.9	1,064.2
Preferred securities	814.0	816.9	827.5
Net unrealized losses on other securities	-	-	-
Treasury stock	(3.0)	(269.9)	(270.8)
Foreign currency translation adjustments	(71.8)	(79.9)	(62.6)
Goodwill	(0.1)	(0.1)	(0.1)
Consolidated adjustment account	(21.7)	(13.4)	(9.4)
Others	-	-	-
Total Tier I	3,571.6	3,262.3	3,746.1
<Tax effect>	<1,666.4>	<1,552.9>	<1,367.2>
Unrealized gains on securities	249.4	317.1	410.9
Land revaluation excess	68.5	67.1	39.9
General reserve for possible loan losses	740.1	633.5	597.4
Perpetual subordinated debts	755.6	880.0	1,119.6
Others	-	-	-
Total upper Tier II	1,813.6	1,897.6	2,167.8
Dated subordinated debts, preferred stock	1,603.0	1,657.3	1,591.3
Others	-	-	-
Total lower Tier II	1,603.0	1,657.3	1,591.3
Total Tier II	3,416.5	3,555.0	3,759.1
<Amounts counted as qualifying capital>	<3,416.5>	<3,262.3>	<3,746.1>
Tier III	-	-	-
Deductions	(250.8)	(504.4)	(548.0)
Total capital	6,737.4	6,020.1	6,944.2

(Billions of yen)

Risk-adjusted assets	59,204.1	60,552.6	63,127.9
On-balance-sheet items	54,649.9	54,897.9	56,978.5
Off-balance-sheet items	4,283.3	5,300.9	5,736.3
Others*2	270.8	353.9	413.1

(%)

Capital ratio	11.37	9.94	11.00
Tier I ratio	6.03	5.38	5.93

*1 Expected payouts excluded.

*2 Figures equivalent to market risk divided by 8%.

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY03 Actual	FY04 Actual	1st half, FY05 Actual
Capital stock	560.0	665.0	665.0
Noncumulative perpetual preferred stock	-	-	-
Capital reserve	879.7	1,009.9	665.0
Other capital surplus	357.6	357.6	702.5
Earned surplus reserve	-	-	-
Voluntary reserves*1	221.5	221.5	221.5
Profit brought forward to next year*2	253.1	68.5	350.8
Others*3	764.5	784.3	830.0
Preferred securities	759.1	776.7	827.5
Net unrealized losses on other securities	-	-	-
Treasury stock	-	-	-
Goodwill	-	-	-
Total Tier I	3,036.4	3,106.8	3,434.9
<Tax effect>	<1,590.5>	<1,502.2>	<1,328.5>
Unrealized gains on securities	239.8	293.0	383.8
Land revaluation excess	61.5	59.6	33.4
General reserve for possible loan losses	661.7	417.6	393.2
Perpetual subordinated debts	755.6	880.0	1,119.6
Others	-	-	-
Total upper Tier II	1,718.7	1,650.1	1,930.0
Dated subordinated debts, preferred stock	1,565.6	1,618.3	1,552.3
Others	-	-	-
Total lower Tier II	1,565.6	1,618.3	1,552.3
Total Tier II	3,284.2	3,268.4	3,482.3
<Amounts counted as qualifying capital>	<3,036.4>	<3,106.8>	<3,434.9>
Tier III	-	-	-
Deductions	(55.7)	(95.6)	(108.3)
Total capital	6,017.2	6,118.0	6,761.5

(Billions of yen)

Risk-adjusted assets	52,939.7	54,034.5	56,304.0
On-balance-sheet items	48,816.7	48,910.7	50,631.2
Off-balance-sheet items	3,925.4	4,818.9	5,329.2
Others*4	197.6	304.9	343.6

(<math>\%</math>)

Capital ratio	11.36	11.32	12.00
Tier I ratio	5.73	5.74	6.10

*1 Excluding profits to be appropriated.

*2 Unappropriated retained earnings minus expected payouts.

*3 Minority interests in consolidated subsidiaries and Foreign currency translation adjustments.

*4 Figures equivalent to market risk divided by 8%.

(Table 5) Earnings by Business Unit

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY04 Actual	1st half, FY05 Actual
Net interest income	271.5	140.3
Fees and commissions + Foreign exchange	86.0	51.7
Consumer Banking Unit	357.5	192.0
Net interest income	323.6	176.0
Fees and commissions + Foreign exchange	330.6	154.6
Middle Market Banking Unit	654.2	330.6
Net interest income	97.0	53.2
Fees and commissions + Foreign exchange	89.8	41.6
Corporate Banking Unit	186.8	94.8
Marketing business	82.0	47.9
Treasury business	1.6	0.9
International Banking Unit	84.4	48.3
Net interest income	10.5	-
Fees and commissions + Foreign exchange	1.4	-
Community Banking Unit	11.9	-
Treasury Unit	222.8	123.7
Headquarters	5.3	(22.8)
Gross banking profit	1,522.9	766.6
Expenses	(582.4)	(292.4)
Banking profit (before provision for general reserve for possible loan losses)	940.5	474.2

(Note) FY04 result of Headquarters include result of Asset Restructuring Unit.

1st half, FY05 result reflects reorganization in April 2005.

(dissolution of Community Banking Unit and Asset Restructuring Unit)

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

	Mar. 31, '04 Actual	Mar. 31, '05 Actual	Sep. 30, '05 Actual
--	------------------------	------------------------	------------------------

(Number of employees and directors)

Directors	24	25	22
Board of directors*1	17(2)	18(2)	15(2)
Corporate auditors*1	7(3)	7(3)	7(3)
Employees*2	22,348	21,020	21,290

*1 Figures in the brackets indicate the number of part-timer.

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

(Number of offices)

Domestic branches*1	435	425	412
Overseas branches*2	20	17	17
(Reference) Overseas subsidiaries*3	25	27	27

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

*2 Excluding sub-branches and representative offices.

*3 Excluding overseas subsidiaries with ownership of 50% or less.

	FY03 Actual	FY04 Actual	1st half, FY05 Actual
--	----------------	----------------	--------------------------

(Personnel expenses)

Personnel expenses (Millions of yen)	222,969	205,305	99,542
Salary and remuneration (Millions of yen)	172,562	165,878	82,660
Average monthly salary (Thousands of yen)	496	494	484

(Note) Average age of the employees: 38.6 (as of September 30, '05)

(Remuneration and bonus for directors)

(Millions of yen)

Remuneration and bonus for directors*1	512	552	247
Remuneration	512	552	247
Bonus	0	0	0
Average remuneration and bonus for full-time directors	25	25	26
Average retirement allowances for directors	(*2) 43	33	72

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

*2 Excluding the former Wakashio Bank.

(Non-personnel expenses)

(Millions of yen)

Non-personnel expenses*1	328,764	339,149	175,229
System related cost*2	76,929	79,536	38,923
Other than system related cost	251,835	259,613	136,306

*1 Excluding management guidance fee paid to the holding company by the subsidiary bank.

*2 Including leasing expenses and related costs.

(Personnel expenses + Non-personnel expenses)

(Millions of yen)

Personnel expenses + Non-personnel expenses	551,733	544,454	274,771
---	---------	---------	---------

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

(Billions of yen)

(Billions of yen)										
Company Name	Main Business	(*2) Latest Fiscal Term	Total Asset	(*3) Total Borrowing	(*4,*5) SMFG, SMBC portion	Stockholder's Equity	(*5) SMFG, SMBC portion	Operating Profit	Net Income	(*6) Consolidated / Equity Method
[Sumitomo Mitsui Financial Group]										
Sumitomo Mitsui Card Company, Limited	Credit card services	Sep. '05	910.5	363.8	26.0	128.1	85.3	12.3	7.6	Consolidated
SMBC Leasing Company, Limited	Leasing	Sep. '05	1,781.9	1,303.4	125.3	166.5	143.4	14.4	8.8	Consolidated
The Japan Research Institute, Limited	System engineering, data processing management consulting, and economic research	Sep. '05	77.2	15.7	12.4	32.3	20.0	3.6	2.2	Consolidated
SMFG Corporate Recovery Servicer Co., Ltd.	Corporate recovery consulting and servicer	Sep. '05	0.9	-	-	0.8	0.4	0.1	0	Consolidated
Daiwa Securities SMBC Co. Ltd.	Securities and derivatives	Sep. '05	11,004.3	6,723.8	1,141.5	423.8	163.2	43.0	26.1	Equity Method
Daiwa SB Investments Ltd.	Investment advisory and investment trust management	Sep. '05	18.4	-	-	10.5	8.0	1.7	1.0	Equity Method
[Sumitomo Mitsui Banking Corporation]										
THE MINATO BANK, LTD.	Banking	Sep. '05	2,736.6	76.9	37.0	89.6	4.8	5.1	2.1	Consolidated
Kansai Urban Banking Corporation	Banking	Sep. '05	2,516.5	156.3	29.5	74.5	37.1	9.5	5.3	Consolidated
The Kangin Lease Company, Limited	Leasing	Sep. '05	30.7	24.2	15.1	4.6	-	0.4	0.5	Consolidated
The Japan Net Bank, Limited	Banking	Sep. '05	381.2	133.7	-	8.6	11.4	1.0	1.2	Consolidated
SMBC Guarantee Co., Ltd.	Credit guarantee	Sep. '05	9,009.6	-	-	122.4	-	7.4	7.4	Consolidated
SAKURA CARD CO., Ltd.	Credit card services	Sep. '05	188.8	37.3	17.8	17.3	12.2	1.8	1.1	Consolidated
SMBC Capital Co., Ltd. (*8)	Venture capital	Sep. '05	17.9	10.5	10.5	6.1	3.2	2.0	1.1	Consolidated
SMBC Consulting Co., Ltd.	Management consulting and information service	Sep. '05	4.7	-	-	2.8	1.8	0.4	0.2	Consolidated
SMBC Finance Service Co., Ltd.	Factoring, loans and collecting agent	Sep. '05	600.6	220.6	215.1	73.3	-	1.3	0.4	Consolidated
YOTSUYA KANRI KABUSHIKI-KAISHA (former SMBC Mortgage Co., Ltd.)	Loans	Sep. '05	10.0	52.4	52.4	(42.5)	0	4.6	4.5	Consolidated
Financial Link Company, Limited	Data processing service and consulting	Sep. '05	0.3	-	-	0.3	-	0.2	0.2	Consolidated
SMBC Friend Securities Co., Ltd.	Securities	Sep. '05	243.5	-	-	127.3	40.8	10.5	6.4	Consolidated
Sakura KCS Corporation	System engineering and data processing	Sep. '05	16.8	0.2	0.2	11.5	1.8	0.3	(1.5)	Consolidated
Sakura Information Systems Co., Ltd.	System engineering and data processing	Sep. '05	12.8	0.8	0.8	7.3	2.2	0.1	0.1	Consolidated
Global Factoring Co., Ltd.	Factoring	Sep. '05	397.7	303.9	303.9	0	-	0	0	Consolidated
Promise Co., Ltd.	Consumer finance	Sep. '05	1,589.8	780.4	43.5	762.3	154.3	49.4	28.6	Equity Method
At-Loan Co., Ltd.	Consumer loans	Sep. '05	127.0	88.0	88.0	18.9	26.7	(3.3)	(3.2)	Equity Method
NIF Ventures Co., Ltd.	Venture capital	Sep. '05	61.8	34.1	6.2	25.0	23.6	(0.1)	0	Equity Method
Sumitomo Mitsui Asset Management Company, Limited	Investment advisory and investment trust management	Sep. '05	34.8	-	-	16.4	3.4	1.9	1.3	Equity Method
Japan Pension Navigator Co., Ltd.	Operational management of defined contribution pension plans	Sep. '05	1.0	-	-	0.8	0.4	(0.2)	(0.5)	Equity Method
QUOQ Inc.	Shopping credit and credit card business	Sep. '05	909.2	467.8	96.3	45.7	2.9	7.2	4.1	Equity Method
[SMBC Leasing Company, Limited]										
SMBC Auto Leasing Company, Limited	Leasing	Sep. '05	232.8	183.9	12.7	12.8	-	1.7	0.5	Consolidated
Mazda Auto Leasing Company, Limited	Leasing	Sep. '05	17.3	13.8	2.3	2.2	-	0.3	0.2	Consolidated
Space Service LLC.	Leasing	Sep. '05	5.1	4.0	2.8	0	-	0	0	Consolidated
SBL Partners LLC.	Factoring	Jun. '05	16.3	15.6	15.6	0	-	0	0	Consolidated
HOKKOKU GENERAL LEASING Co., Ltd.	Leasing	Sep. '05	39.9	34.0	1.0	3.2	0.1	0.4	0.4	Equity Method
The San-in General Lease Company Limited	Leasing	Sep. '05	46.7	33.2	2.9	5.9	0.2	0.7	0.4	Equity Method
Miegin General Leasing Co.Ltd.	Leasing	Sep. '05	12.4	9.9	0.6	1.6	0.1	0.1	0	Equity Method
[Daiwa Securities SMBC Co. Ltd.]										
Daiwa Securities SMBC Principal Investments Co. Ltd.	Investments	Sep. '05	195.2	97.8	32.5	28.4	-	4.9	3.0	Equity Method

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

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

Company Name	Main Business	Currency	(*2) Latest Fiscal Term	Total Asset	(*3) Total Borrowing	(*4,*5) SMFG, SMBC portion	Stockholder's Equity	(*5) SMFG, SMBC portion	Operating Profit	Net Income	(*6) Consolidated / Equity Method
[Sumitomo Mitsui Banking Corporation]											
Sumitomo Mitsui Banking Corporation Europe Limited	Banking	US\$	Sep. '05	15,172	426	4,534	1,754	1,700	32	23	Consolidated
Manufacturers Bank	Commercial banking	US\$	Jun. '05	1,490	108	1	220	283	14	9	Consolidated
Sumitomo Mitsui Banking Corporation of Canada	Commercial banking	CAN\$	Jul. '05	1,432	42	42	159	122	6	4	Consolidated
Banco Sumitomo Mitsui Brasileiro S.A.	Commercial banking	R\$	Jun. '05	861	195	145	273	302	(30)	(30)	Consolidated
PT Bank Sumitomo Mitsui Indonesia	Banking	RPIAH	Jun. '05	5,731	548	2,225	1,152	982	75	46	Consolidated
SMBC Leasing and Finance, Inc.	Leasing	US\$	Jun. '05	1,471	200	284	742	690	31	12	Consolidated
SMBC Capital Markets, Inc.	Investment and derivatives	US\$	Jun. '05	4,000	423	2,064	894	609	34	16	Consolidated
SMBC Capital Markets Limited	Investment and derivatives	US\$	Jun. '05	1,101	105	-	350	300	7	5	Consolidated
Sumitomo Mitsui Finance Australia Limited	Investments	A\$	Jun. '05	2,674	2,031	2,381	176	159	12	8	Consolidated
SMBC Securities, Inc.	Securities	US\$	Jun. '05	145	100	25	44	40	3	2	Consolidated
SMBC MVI SPC	Investments	US\$	Sep. '05	377	345	345	29	30	(0)	(0)	Consolidated
SMBC DIP Limited	Investments	US\$	Sep. '05	29	16	28	1	1	0	0	Consolidated
Sakura Capital Funding (Cayman) Limited	Finance	US\$	Jun. '05	91	90	88	0	0	0	0	Consolidated
Sakura Finance (Cayman) Limited	Finance	US\$	Jun. '05	666	664	403	0	0	0	0	Consolidated
SMBC International Finance N.V.	Finance	US\$	Jun. '05	2,161	2,145	1,891	1	0	(0)	(0)	Consolidated
BSL Leasing Co., Ltd.	Leasing	TBAH	Jun. '05	2,919	2,330	342	246	6	42	29	Equity Method
SBCS Company Limited	Investments and consulting	TBAH	Jun. '05	527	257	257	266	14	44	44	Equity Method
[SMBC Leasing Company, Limited]											
SMBC Leasing (Singapore) Pte. Ltd.	Leasing	S\$	Jun. '05	181	166	120	5	-	1	1	Consolidated
SMBC Leasing (Hong Kong) Limited	Leasing	HK\$	Jun. '05	574	475	337	56	-	1	1	Consolidated
SMBC Leasing (Thailand) Co., Ltd.	Leasing	TBAH	Jun. '05	4,354	2,438	2,030	198	-	31	21	Consolidated
SMBC Leasing (Malaysia) Sdn. Bhd.	Leasing	RM	Jun. '05	146	126	123	6	-	1	(0)	Consolidated
P.T. EXIM SB Leasing	Leasing	RPIAH	Jun. '05	56	179	114	(154)	0	(6)	(6)	Consolidated
[Daiwa Securities SMBC Co. Ltd.]											
Daiwa Securities SMBC Hong Kong Limited	Securities	US\$	Sep. '05	738	37	35	88	-	5	5	Equity Method
Daiwa Securities SMBC-Cathay Co., Ltd.	Securities	NT\$	Sep. '05	3,729	700	500	2,726	-	121	88	Equity Method

(*1) Only the subsidiaries and affiliates which borrowed over one hundred million yen (including guarantees) from Sumitomo Mitsui Financial Group or Sumitomo Mitsui Banking Corporation are indicated in the table.

Financial data of foreign subsidiaries and affiliates are denoted by local currency (in millions, except Indonesia (in billions)).

(*2) Consolidated accounting date of latest fiscal term

(*3) Including bonds and commercial papers.

(*4) SMFG, SMBC portion in total borrowing include guarantees.

(*5) Combined figures of Sumitomo Mitsui Financial Group (SMFG) and Sumitomo Mitsui Banking Corporation (SMBC).

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

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

(*8) SMBC Capital Co., Ltd. and NIF Ventures Co., Ltd. merged on October 1, 2005. (New company name: NIF SMBC Ventures Co. Ltd.)

(*9) <Scope of consolidation>

-From this interim term, nine companies including NS Capital Co., Ltd. were newly consolidated due to establishment and other reasons.

-From this interim term, four companies including WAKASHIO OFFICE SERVICE CO., Ltd. were excluded from the scope of consolidation because they were no longer subsidiaries due to liquidation and other reason.

-From this interim term, six companies including SMLC CENTAURUS CO., LTD. became unconsolidated subsidiaries accounted for by the equity method because they became silent partnerships for lease transactions.

-From this interim term, SBL Holdings Limited was excluded from the scope of unconsolidated subsidiaries accounted for by the equity method because it was no longer a subsidiary due to liquidation.

-From this interim term, eight companies including NIF Ventures Co., Ltd. newly became affiliated companies accounted for by the equity method due to acquirement of shares.

-From this interim term, P.T. Perjahl Leasing Indonesia was excluded from the scope of affiliated companies accounted for by the equity method due to sale of shares.

Details of (*7)

Company name	Strategic position within the Group
The Japan Net Bank, Limited	Internet specialized bank
SMBC Guarantee Co., Ltd.	SMBC's housing loan guarantee subsidiary
SMBC Finance Service Co., Ltd.	Subsidiary to provide finance, factoring and collecting services
YOTSUYA KANRI KABUSHIKI-KAISHA (former SMBC Mortgage Co., Ltd.)	Finance subsidiary
Financial Link Company, Limited	Strategic subsidiary that coordinates financial services such as outsourcing of settlement operations and fund administration with SMBC and group companies
Sakura KCS Corporation	System engineering and data processing business
At-Loan Co., Ltd.	Loan company specialized in consumer loans
NIF Ventures Co., Ltd.	Venture capital
Japan Pension Navigator Co., Ltd.	Core company in defined contribution pension plan business
Space Service LLC.	SPC of SMBC Leasing Company
Banco Sumitomo Mitsui Brasileiro S.A.	SMBC's subsidiary engaged in lending to multinational companies (including Japanese, global companies) in Brazil.
SMBC MVI SPC	SMBC's subsidiary engaged in investment in syndicated loan markets for non-investment grade companies in the U.S.
SMBC International Finance N.V.	Established to enhance capital adequacy of SMBC. Issuing company of SMBC's subordinated guaranteed bonds.
SMBC Leasing (Singapore) Pte. Ltd.	Overseas subsidiary of SMBC Leasing Company
SMBC Leasing (Hong Kong) Limited	Overseas subsidiary of SMBC Leasing Company
SMBC Leasing (Malaysia) Limited	Overseas subsidiary of SMBC Leasing Company
P.T.EXIM SB Leasing	Overseas subsidiary of SMBC Leasing Company

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

(Balance)		(Billions of yen)	
		Mar. 31, '05 Actual (A)	Sep. 30, '05 Actual (B)
Domestic	including Impact loans	46,827.8	46,990.9
	excluding Impact loans	46,222.4	46,347.9
Small- and medium-sized enterprises*	including Impact loans	17,296.3	16,928.2
	excluding Impact loans	17,054.4	16,651.1
Loans with guarantee of credit guarantee corporation		1,479.5	1,355.7
Individuals (excluding business loans)		13,647.5	13,893.7
Housing loans		12,363.8	12,488.9
Others		15,884.0	16,169.0
Overseas		3,239.8	3,958.3
Total		50,067.6	50,949.2

* Small and Medium-sized enterprises = Loans to following enterprises excluding subsidiaries and affiliates

- Wholesaling enterprise whose capital is JPY 100 million or less or number of employees is 100 or less
- Services enterprise whose capital is JPY 50 million or less or number of employees is 100 or less
- Retailing and catering enterprise whose capital is JPY 50 million or less or number of employees is 50 or less
- Other enterprise whose capital is JPY 300 million or less or number of employees is 300 or less
- Unincorporated enterprise

(Increase / decrease of balance considering the factors shown below)

		(Billions of yen)
		1st half, FY05 Actual (B)-(A)+(a)
Domestic	including Impact loans	1,391.7
	excluding Impact loans	1,354.1
Small- and medium-sized enterprises	including Impact loans	239.5
	excluding Impact loans	204.3

(Decreasing factors to be considered)

		(Billions of yen)	
		1st half, FY05 Actual (a)	
			Small and medium-sized enterprises
Loan losses		578.7	269.1
Direct write-offs*1		228.1	3.5
Direct reduction*2		54.9	27.0
Sales of loans to RCC*3		0.0	0.0
Sales of problem assets to others		137.6	124.0
Others*4		158.1	114.6
Sales and securitization of loans*5		276.7	43.3
Private placement of bonds, etc.*6		373.2	295.2
Subsidiaries etc.*7		0.0	0.0
Total		1,228.6	607.6

(Note) "Impact loans" are not included in the table above.

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

*2 Direct reduction in this fiscal term.

*3 Sales of loans to the specific bank defined in Article 53 of Financial Reconstruction Law.

*4 Decrease through other measures of disposing non-performing loans

*5 Mainly sales and securitization of normal loans.

*6 Amount of credits that are virtually equivalent to loans, such as private placement of bonds, etc.

*7 Loans to consolidated subsidiaries and affiliates under equity method which contribute to encouraging smooth provision of credit to small and medium-sized enterprises.

(Table 13) Problem Assets Based on the Financial Reconstruction Law

(Billions of yen)

	Mar. 31, '05 Actual Non-consolidated	Mar. 31, '05 Actual Consolidated	Sep. 30, '05 Actual Non-consolidated	Sep. 30, '05 Actual Consolidated
Bankrupt and quasi- bankrupt assets	448.3	481.0	301.7	394.1
Doubtful assets	924.4	1,074.2	723.8	830.1
Substandard loans	451.9	767.8	380.5	622.1
Sub-total	1,824.6	2,323.0	1,406.0	1,846.3
Normal assets	53,452.6	57,094.8	54,970.7	59,145.1
Total	55,277.2	59,417.8	56,376.7	60,991.4

(Note) Non-consolidated figures: Non-consolidated figures of Sumitomo Mitsui Banking Corporation.

Reserve for Possible Loan Losses

(Billions of yen)

	Mar. 31, '05 Actual Non-consolidated	Mar. 31, '05 Actual Consolidated	Sep. 30, '05 Actual Non-consolidated	Sep. 30, '05 Actual Consolidated
General reserve	417.6	633.6	393.2	597.4
Specific reserve	567.6	636.1	375.2	436.1
Loan loss reserve for specific overseas countries	3.9	3.9	3.7	3.7
Sub-total	989.1	1,273.6	772.1	1,037.2
Reserve for possible losses on loans sold to CCPC	-	-	-	-
Total	989.1	1,273.6	772.1	1,037.2

(Note) Non-consolidated figures: Non-consolidated figures of Sumitomo Mitsui Banking Corporation.

(Table 14) Risk-Monitored Loans

(Billions of yen, %)

	Mar. 31, '05 Actual Non-consolidated	Mar. 31, '05 Actual Consolidated	Sep. 30, '05 Actual Non-consolidated	Sep. 30, '05 Actual Consolidated
Bankrupt loans (A)	46.0	68.3	72.2	89.7
Non-accrual loans (B)	1,238.0	1,399.0	898.9	1,084.7
Past due loans (3 months or more) (C)	26.9	29.4	51.3	53.8
Restructured loans (D)	425.0	730.7	329.2	560.3
(1) Reduction of original interest rate	54.4	61.4	43.9	50.7
(2) Forbearance of interest payments	0.0	0.3	0.0	0.1
(3) Loans to supported companies	-	-	0.7	0.7
(4) Forbearance of principal repayments	363.4	661.0	284.5	507.9
(5) Others	7.2	8.0	0.1	0.9
Total (E)=(A)+(B)+(C)+(D)	1,735.9	2,227.4	1,351.6	1,788.5
Direct reduction	1,504.6	1,723.8	1,091.6	1,316.9
Ratio <(E) / Total loans>	3.5%	4.1%	2.7%	3.2%

(Note) Non-consolidated figures: Non-consolidated figures of Sumitomo Mitsui Banking Corporation

(Table 15) Disposition of Problem Assets

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY04 Actual	1st half, FY05 Actual
Credit related costs (A)	1,306.3	154.0
Provision for specific reserve for possible loan losses	474.1	122.7
Write-off of loans and other related losses (C)	836.0	31.5
Write-off of loans	605.8	16.8
Losses on sales of loans to RCC*	0.5	0.2
Losses on bulk sales	137.5	14.5
Losses on debt forgiveness	92.2	-
Provision for reserve for possible losses from loans sold to CCPC	-	-
Provision for reserve for supporting specific borrowers	-	-
Provision for loan loss reserve for specific overseas countries	(3.8)	(0.2)
Provision for general reserve for possible loan losses (B)	(351.5)	(24.3)
Total (A) + (B)	954.8	129.7

<Reference>

Direct write-off of loans already reserved (D)	443.6	431.2
Gross direct write-offs (C) + (D)	1,279.6	462.7

<Sumitomo Mitsui Financial Group (Consolidated)>

(Billions of yen)

	FY04 Actual	1st half, FY05 Actual
Credit related costs (A)	1,398.0	216.0
Provision for specific reserve for possible loan losses	493.9	143.8
Write-off of loans and other related losses (C)	907.9	72.4
Write-off of loans	667.2	42.7
Losses on sales of loans to RCC*	0.6	0.2
Losses on bulk sales	147.9	29.5
Losses on debt forgiveness	92.2	-
Provision for reserve for possible losses from loans sold to CCPC	-	-
Provision for reserve for supporting specific borrowers	-	-
Provision for loan loss reserve for specific overseas countries	(3.8)	(0.2)
Provision for general reserve for possible loan losses (B)	(201.2)	(39.5)
Total (A) + (B)	1,196.8	176.5

<Reference>

Direct write-off of loans already reserved (D)	540.9	456.5
Gross direct write-offs (C) + (D)	1,448.8	528.9

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

(Table 17) Bankruptcies in 1st half, FY05

[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	1	0.1	1	0.1
4C	6	3.1	4	2.0
5A	5	1.1	3	0.9
5B	13	3.2	7	2.5
5C	13	3.0	15	2.4
6	9	3.9	13	4.4
7	39	81.1	40	12.0
8	12	3.5	14	46.4
9	6	23.5	23	105.7
No grading	63	57.4	47	3.5
Total	167	179.9	167	179.9

(Notes) 1. Bankruptcies with credit amount less than JPY 50 million are excluded.

2. "No grading" includes individuals and companies without financial data.

(Reference) Problem Assets Based on the Financial Reconstruction Law

(Billions of yen)

	Sep. 30, '05
Bankrupt and quasi-bankrupt assets	301.7
Doubtful assets	723.8
Substandard loans	380.5
Normal assets	54,970.7
Total	56,376.7

(Table 18) Unrealized Gains (Losses) (as of Sep. 30, '05)

[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	797.4	(7.4)	1.4	8.8
	Bond	787.9	(7.8)	1.0	8.8
	Stock	-	-	-	-
	Other	9.5	0.4	0.4	-
	Money held in trust*1	-	-	-	-
Subsidiaries, etc.	Securities*1,*2	1,477.1	116.9	116.9	-
	Bond	-	-	-	-
	Stock	574.1	116.9	116.9	-
	Other	903.0	-	-	-
	Money held in trust*1	-	-	-	-
Other securities	Securities*1,*2	20,888.2	851.6	1,013.9	162.3
	Bond	13,624.3	(80.3)	2.9	83.2
	Stock	3,165.2	945.4	980.1	34.7
	Other	4,098.7	(13.5)	30.9	44.4
	Money held in trust*1	0.8	0.2	0.2	-

Others

(Billions of yen)

	Book value	Market value	Net unrealized gains (losses)		
				Gains	Losses
Premises used in business*3	305.4	286.4	(19.0)	11.8	30.8
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.

However, unrealized gains (losses) of stocks in "Other securities" are based on the average market price during the final month of the fiscal year.

*2 Securities include a following item, which is not categorized as "Securities" in the balance sheet:

Negotiable certificates of deposit included in item "Deposits with banks"

*3 Based on revaluation of land at fair value as of Mar. 31, '98 and Mar. 31, '02 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 Sep. 30, '05.

(Table 18) Unrealized Gains (Losses) (as of Sep. 30, '05)

[Sumitomo Mitsui Financial Group (Consolidated)]

Securities

(Billions of yen)

		Outstanding balance	Net unrealized gains (losses)		
				Gains	Losses
Held-to-maturity purpose	Securities*1,*2	823.6	(7.4)	1.4	8.8
	Bond	788.1	(7.8)	1.0	8.8
	Stock	-	-	-	-
	Other	35.5	0.4	0.4	-
	Money held in trust*1	-	-	-	-
Subsidiaries, etc.	Securities*1,*2	427.5	31.5	31.5	-
	Bond	-	-	-	-
	Stock	420.2	31.5	31.5	-
	Other	7.3	-	-	-
	Money held in trust*1	-	-	-	-
Other securities	Securities*1,*2	22,457.0	897.7	1,070.4	172.7
	Bond	14,582.2	(83.1)	4.9	88.0
	Stock	3,314.3	992.7	1,031.5	38.8
	Other	4,560.5	(11.9)	34.0	45.9
	Money held in trust*1	0.8	0.2	0.2	-

Others

(Billions of yen)

	Book value	Market value	Net unrealized gains (losses)		
				Gains	Losses
Premises used in business*3	308.7	288.7	(20.0)	11.8	31.8
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.

However, unrealized gains (losses) of stocks in "Other securities" are based on the average market price during the final month of the fiscal year.

*2 Securities include a following item, which is not categorized as "Securities" in the balance sheet:

Negotiable certificates of deposit included in item "Deposits with banks"

Beneficiary claims on trust such as receivables included in item "Commercial papers and other debt purchased"

*3 Based on revaluation of land at fair value as of Mar. 31, '98, Mar. 31, '99 and Mar. 31, '02 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 Sep. 30, '05.

(Table 19) Off balance sheet transaction

[Sumitomo Mitsui Financial Group (Consolidated)]

(Billions of yen)

	Contract amount or notional amount		Credit risk equivalent amount	
	Mar. 31, '05	Sep. 30, '05	Mar. 31, '05	Sep. 30, '05
Financial futures contracts	126,102.5	149,632.7	-	-
Interest rate swaps	283,342.9	300,323.4	3,625.8	3,454.9
Currency swaps	18,098.4	19,643.3	1,440.2	1,349.0
Foreign exchange forward contracts	40,194.7	44,155.5	936.1	1,177.7
Interest rate options (buy)	5,635.6	5,296.8	74.0	63.8
Currency options (buy)	2,564.9	2,893.6	181.8	157.2
Other derivative instruments	21,186.5	17,605.3	134.0	181.7
Effect of Master Netting agreements	-	-	(3,136.2)	(3,251.8)
Total	497,125.5	539,550.6	3,255.6	3,132.6

(Note) Figures shown 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 contracts have maturity of 14 days or less

(Table 20) Credit Composition (as of Sep. 30, '05)
 [Sumitomo Mitsui Banking Corporation (Non-consolidated)]

(Billions of yen)

	Counter party with rating equivalent to BBB/Baa or higher	Counter party with rating equivalent to BB/Ba or lower	Others*	Total
Credit risk equivalent	158.3	0.0	3.7	162.0
Credit cost	0.1	0.0	0.1	0.2
Amount of credit risk	0.4	0.0	0.1	0.5

(Note) 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

*Corporations without credit ratings by rating agencies.