

10. Classification under Self-Assessment, Disclosure of Problem Assets, and Write-Offs / Reserves
 <SMBC Non-consolidated>

<As of Mar. 31, 2006>					(Billions of yen)			
Category of Borrowers under Self-Assessment	Problem Assets based on the Financial Reconstruction Law	Classification under Self-Assessment				Reserve for possible loan losses	Reserve Ratio	
		Classification I	Classification II	Classification III	Classification IV			
Bankrupt Borrowers	Bankrupt and Quasi-Bankrupt Assets 164.5 (i) (Change from Mar. 31, 2005: -283.8)	Portion of claims secured by collateral or guarantees, etc. 148.5 (a)	Fully reserved 16.0	Direct Write-offs (*1)		Specific Reserve 20.2 (*2)	100% (*3)	
Effectively Bankrupt Borrowers								
Potentially Bankrupt Borrowers	Doubtful Assets 473.4 (ii) (Change from Mar. 31, 2005: -451.0)	Portion of claims secured by collateral or guarantees, etc. 266.7 (b)	Necessary amount reserved 206.7			General Reserve for Substandard Loans 114.6	100% (*3)	
Borrowers Requiring Caution	Substandard Loans 322.2 (iii) (Change from Mar. 31, 2005: -129.7) (Claims to Substandard Borrowers)	Portion of Substandard Loans secured by collateral or guarantees, etc. 102.1 (c)						
	Normal Assets 55,984.9	Claims to Borrowers Requiring Caution, excluding claims to Substandard Borrowers					General Reserve 572.5	52.6% (*3) 24.9% (*3) 7.3% [16.4%] (*4)
Claims to Normal Borrowers								
Normal Borrowers							0.4% (*4)	
Total 56,945.0 (iv)						Loan Loss Reserve for Specific Overseas Countries 2.4		
A=(i)+(ii)+(iii) 960.1 (v) (Change from Mar. 31, 2005: -864.5) <Problem asset ratio ((v)/(iv)) 1.7%>		B: Portion secured by collateral or guarantees, etc. (a)+(b)+(c) 517.3	C: Unsecured portion (A - B) 442.8			D: Specific Reserve + General Reserve for Substandard Loans (*2) 356.1	Reserve Ratio (*5) D / C 80.4%	
Coverage Ratio = (B+D)/A 91.0%								

(*1) Includes amount of direct reduction totaling JPY 603.6 billion.

(*2) Includes reserve for assets that are not subject to disclosure based on the Financial Reconstruction Law standards.
 (Bankrupt/Effectively Bankrupt Borrowers: JPY 4.2 billion, Potentially Bankrupt Borrowers: JPY 9.6 billion)

(*3) Reserve ratios for claims on Bankrupt Borrowers, Effectively Bankrupt Borrowers, Potentially Bankrupt Borrowers, Substandard Borrowers and Borrowers Requiring Caution including Substandard Borrowers are the proportion of reserve for the possible loan losses to each category's total unsecured claims.

(*4) Reserve ratios for claims on Normal Borrowers and Borrowers Requiring Caution (excluding claims to Substandard Borrowers) are the proportion of the reserve for possible loan losses to the respective claims of each category.
 The reserve ratio for unsecured claims on Borrowers Requiring Caution (excluding claims to Substandard Borrowers) is shown in [].

(*5) The proportion of the reserve to the claims, excluding the portion secured by collateral or guarantees, etc.