## 12. Reserve for Possible Loan Losses

## <SMBC Non-consolidated>

(Millions of yen)

|                                  |                    | Mar. 31, 2006 |           | Mar. 31, 2005 |
|----------------------------------|--------------------|---------------|-----------|---------------|
|                                  |                    |               | Change    |               |
| Reserve for possible loan losses |                    | 816,437       | (172,684) | 989,121       |
| General reserve                  |                    | 572,536       | 154,981   | 417,555       |
| Specific reserve                 |                    | 241,546       | (326,090) | 567,636       |
| Loan loss reserve for specific   | overseas countries | 2,354         | (1,576)   | 3,930         |

Amount of direct reduction

603,622

(928,224)

1,531,846

<Consolidated>

(Millions of yen)

|     |   | Mar. 31, 2006 | Mar. 31, 2006 |           |
|-----|---|---------------|---------------|-----------|
|     |   |               | Change        |           |
| Res | Reserve for possible loan losses                  |               | (238,092)     | 1,273,560 |
|     | General reserve                                   | 742,614       | 109,099       | 633,515   |
| [   | Specific reserve                                  | 290,499       | (345,615)     | 636,114   |
|     | Loan loss reserve for specific overseas countries | 2,354         | (1,576)       | 3,930     |

Amount of direct reduction

799,144

(983,100)

1,782,244