

## 15. Problem Assets Based on the Financial Reconstruction Law and the Coverage

&lt;SMBC Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt assets	224,335	(95,292)	319,627
Doubtful assets	697,670	19,430	678,240
Substandard loans	178,679	(17,624)	196,303
Total (A)	1,100,685	(93,485)	1,194,170
Normal assets	62,116,059	(3,912,517)	66,028,576
Total (B)	63,216,745	(4,006,002)	67,222,747
Problem asset ratio (A/B)	1.74	(0.04)	1.78

Amount of direct reduction 478,042 (1,442) 479,484

(Note) Problem Assets Based on the Financial Reconstruction Law include loans, acceptances and guarantees, temporary advance, and other credit-type assets.

Privately-placed bonds guaranteed by SMBC has been recorded with fair value since March 31, 2010, in accordance with the revision of "Accounting Standard for Financial Instruments."

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Total coverage (C)	996,736	(31,600)	1,028,336
Reserve for possible loan losses* (D)	299,189	(41,703)	340,892
Amount recoverable by guarantees, collateral and others (E)	697,546	10,102	687,444

(\*) Sum of general reserve for substandard loans and specific reserve.

(%)

Coverage ratio (C) / (A)	90.56	4.45	86.11
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	132.26	8.38	123.88

(%)

Reserve ratio to unsecured assets (D) / (A - E)	74.22	6.95	67.27
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	188.07	31.80	156.27

&lt;Consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt assets	392,424	(113,242)	505,666
Doubtful assets	881,239	15,636	865,603
Substandard loans	298,179	16,262	281,917
Total (A)	1,571,842	(81,344)	1,653,186
Normal assets	68,431,335	(2,463,267)	70,894,602
Total (B)	70,003,177	(2,544,611)	72,547,788
Problem asset ratio (A/B)	2.25	(0.03)	2.28

(Millions of yen)

	Mar. 31, 2010		Mar. 31, 2009
	(a)	(a) - (b)	(b)
Total coverage (C)	1,389,279	(21,067)	1,410,346
Reserve for possible loan losses (D)	374,383	(23,592)	397,975
Amount recoverable due to guarantees, collateral and others (E)	1,014,896	2,525	1,012,371

(%)

Coverage ratio (C) / (A)	88.39	3.08	85.31
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	132.53	6.09	126.44

(%)

Reserve ratio to unsecured assets (D) / (A - E)	67.22	5.12	62.10
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	191.82	23.62	168.20