

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

<SMBC Non-consolidated>

(Millions of yen, %)

	Sep. 30, 2010			Mar. 31, 2010	Sep. 30, 2009
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Bankrupt and quasi-bankrupt assets	178,605	(45,730)	(110,454)	224,335	289,059
Doubtful assets	676,277	(21,393)	(90,891)	697,670	767,168
Substandard loans	187,766	9,087	2,056	178,679	185,710
Total (A)	1,042,648	(58,037)	(199,290)	1,100,685	1,241,938
Normal assets	62,898,942	782,883	(1,343,175)	62,116,059	64,242,117
Total (B)	63,941,591	724,846	(1,542,464)	63,216,745	65,484,055
Problem asset ratio (A/B)	1.63	(0.11)	(0.27)	1.74	1.90

Amount of direct reduction 477,022 (1,020) (59,244) 478,042 536,266

(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)

	Sep. 30, 2010			Mar. 31, 2010	Sep. 30, 2009
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Total coverage (C)	926,072	(70,664)	(213,992)	996,736	1,140,064
Reserve for possible loan losses* (D)	309,470	10,281	(55,398)	299,189	364,868
Amount recoverable by guarantees, collateral and others (E)	616,602	(80,944)	(158,593)	697,546	775,195

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

	(%)				
Coverage ratio (C) / (A)	88.82	(1.74)	(2.98)	90.56	91.80
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	130.79	(1.47)	5.57	132.26	125.22

	(%)				
Reserve ratio to unsecured assets (D) / (A - E)	72.64	(1.58)	(5.53)	74.22	78.17
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	175.35	(12.72)	8.23	188.07	167.12

<Consolidated>

(Millions of yen, %)

	Sep. 30, 2010			Mar. 31, 2010	Sep. 30, 2009
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Bankrupt and quasi-bankrupt assets	353,327	(39,097)	(118,855)	392,424	472,182
Doubtful assets	871,392	(9,847)	(98,067)	881,239	969,459
Substandard loans	383,059	84,880	102,065	298,179	280,994
Total (A)	1,607,778	35,936	(114,857)	1,571,842	1,722,635
Normal assets	69,846,416	1,415,081	(511,025)	68,431,335	70,357,441
Total (B)	71,454,194	1,451,017	(625,882)	70,003,177	72,080,076
Problem asset ratio (A/B)	2.25	0.00	(0.14)	2.25	2.39

(Millions of yen)

	Sep. 30, 2010			Mar. 31, 2010	Sep. 30, 2009
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Total coverage (C)	1,374,154	(15,125)	(162,060)	1,389,279	1,536,214
Reserve for possible loan losses (D)	417,326	42,943	(25,067)	374,383	442,393
Amount recoverable due to guarantees, collateral and others (E)	956,828	(58,068)	(136,993)	1,014,896	1,093,821

	(%)				
Coverage ratio (C) / (A)	85.47	(2.92)	(3.71)	88.39	89.18
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	125.62	(6.91)	(0.93)	132.53	126.55

	(%)				
Reserve ratio to unsecured assets (D) / (A - E)	64.11	(3.11)	(6.24)	67.22	70.35
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	163.29	(28.53)	(9.45)	191.82	172.74