

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

<SMBC Non-consolidated>

(Millions of yen, %)

	Mar. 31, 2011		Mar. 31, 2010
	(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt assets	138,433	(85,902)	224,335
Doubtful assets	684,826	(12,844)	697,670
Substandard loans	303,010	124,331	178,679
Total (A)	1,126,269	25,584	1,100,685
Normal assets	61,025,837	(1,090,222)	62,116,059
Total (B)	62,152,106	(1,064,639)	63,216,745
Problem asset ratio (A/B)	1.81	0.07	1.74

Amount of direct reduction 496,205 18,163 478,042

(Note) Problem assets based on the Financial Reconstruction Law include loans, acceptances and guarantees, suspense payments, and other credit-type assets.

(Millions of yen)

	Mar. 31, 2011		Mar. 31, 2010
	(a)	(a) - (b)	(b)
Total coverage (C)	986,514	(10,222)	996,736
Reserve for possible loan losses* (D)	330,526	31,337	299,189
Amount recoverable by guarantees, collateral and others (E)	655,988	(41,558)	697,546

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

(%)

Coverage ratio (C) / (A)	87.59	(2.97)	90.56
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	121.42	(10.84)	132.26

(%)

Reserve ratio to unsecured assets (D) / (A - E)	70.28	(3.94)	74.22
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	151.30	(36.77)	188.07

<Consolidated>

(Millions of yen, %)

	Mar. 31, 2011		Mar. 31, 2010
	(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt assets	281,611	(110,813)	392,424
Doubtful assets	875,837	(5,402)	881,239
Substandard loans	532,873	234,694	298,179
Total (A)	1,690,321	118,479	1,571,842
Normal assets	67,868,754	(562,581)	68,431,335
Total (B)	69,559,075	(444,102)	70,003,177
Problem asset ratio (A/B)	2.43	0.18	2.25

(Millions of yen)

	Mar. 31, 2011		Mar. 31, 2010
	(a)	(a) - (b)	(b)
Total coverage (C)	1,430,583	41,304	1,389,279
Reserve for possible loan losses (D)	435,657	61,274	374,383
Amount recoverable due to guarantees, collateral and others (E)	994,926	(19,970)	1,014,896

(%)

Coverage ratio (C) / (A)	84.63	(3.76)	88.39
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	121.51	(11.02)	132.53

(%)

Reserve ratio to unsecured assets (D) / (A - E)	62.65	(4.57)	67.22
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	152.28	(39.54)	191.82