

(Reference) Progress of Off-Balancing of Problem Assets <SMBC Non-consolidated>

1. Problem assets existing prior to and classified during the first half of FY2000 <SMBC Non-consolidated>

(1) Term-end balance of bankrupt and quasi-bankrupt assets, and doubtful assets based on the Financial Reconstruction Law

(Billions of yen)							
	Sep. 30, 2000	Mar. 31, 2001	Sep. 30, 2001	Mar. 31, 2002	Sep. 30, 2002	Mar. 31, 2003	Change
Bankrupt and quasi-bankrupt assets	653.0	475.2	379.5	283.3	240.3	144.5	(95.8)
Doubtful assets	2,594.8	1,361.6	1,055.7	848.3	661.1	255.6	(405.5)
Total	3,247.8	1,836.8	1,435.2	1,131.6	901.4	400.1	(501.3)

(A) (B)

(Note) Balance as of Mar. 31, 2003 includes JPY 151.2 billion, the result of measures connected to off-balancing. The measures connected to off-balancing are legal reorganizations, measures associated with legal reorganizations, corporate splits to good companies and bad companies, partial direct write-offs of retail exposure to individuals and small- and medium-sized enterprises, and trusts to RCC for the purpose of revitalization which is scheduled to be off-balanced before the maturity.

(2) Progress of off-balancing

(Billions of yen)	
	Second half of FY2002
Disposition by borrowers' liquidation	(48.9)
Reconstructive disposition --- (a)	(11.3)
Improvement in debtors' performance due to (a)	-
Loan sales to market	(819.6)
Direct write-offs	513.9
Others	(135.4)
Collection/repayment, etc.	(70.3)
Improvement in debtors' performance	(65.1)
Total	(501.3)

(Notes) 1. "Disposition by borrowers' liquidation" refers to abandonment or write-off of loans involved in bankruptcy liquidation proceedings (bankruptcy or special liquidations).
2. "Reconstructive disposition" refers to abandonment of loans involved in rehabilitative bankruptcy proceedings (corporate reorganization, civil rehabilitation, composition and arrangement), loan forgiveness involved in special mediation or other types of civil mediation, or loan forgiveness for restructuring involved in private reorganization.
3. "Improvement in debtors' performance due to re-constructive disposition" was categorized as "Others" in FY2000 financial results published in May 2001.

2. Problem assets classified during the second half of FY2000

(1) Term-end balance of bankrupt and quasi-bankrupt assets, and doubtful assets based on the Financial Reconstruction Law

(Billions of yen)						
	Mar. 31, 2001	Sep. 30, 2001	Mar. 31, 2002	Sep. 30, 2002	Mar. 31, 2003	Change
Bankrupt and quasi-bankrupt assets	118.8	142.2	57.7	52.1	29.0	(23.1)
Doubtful assets	592.6	269.7	145.2	112.7	81.9	(30.8)
Total	711.4	411.9	202.9	164.8	110.9	(53.9)

(C) (D)

(Note) Balance as of Mar. 31, 2003 includes JPY 23.4 billion, the result of measures connected to off-balancing.

(2) Progress of off-balancing

(Billions of yen)	
	Second half of FY2002
Disposition by borrowers' liquidation	(1.6)
Reconstructive disposition --- (a)	(5.6)
Improvement in debtors' performance due to (a)	-
Loan sales to market	(75.8)
Direct write-offs	45.8
Others	(16.7)
Collection/repayment, etc.	(12.9)
Improvement in debtors' performance	(3.8)
Total	(53.9)

(D)

3. Problem assets classified during the first half of FY2001

(1) Term-end balance of bankrupt and quasi-bankrupt assets, and doubtful assets based on the Financial Reconstruction Law

(Billions of yen)					
	Sep. 30, 2001	Mar. 31, 2002	Sep. 30, 2002	Mar. 31, 2003	Change
Bankrupt and quasi-bankrupt assets	56.6	76.6	66.0	41.7	(24.3)
Doubtful assets	332.5	236.9	163.1	99.5	(63.6)
Total	389.1	313.5	229.1	141.2	(87.9)

(E) (F)

(Note) Balance as of Mar. 31, 2003 includes JPY 31.9 billion, the result of measures connected to off-balancing.

(2) Progress of off-balancing

(Billions of yen)	
	Second half of FY2002
Disposition by borrowers' liquidation	(1.0)
Reconstructive disposition --- (a)	(5.8)
Improvement in debtors' performance due to (a)	-
Loan sales to market	(14.5)
Direct write-offs	(10.5)
Others	(56.1)
Collection/repayment, etc.	(49.6)
Improvement in debtors' performance	(6.5)
Total	(87.9)

(F)

4. Problem assets classified during the second half of FY2001

(1) Term-end balance of bankrupt and quasi-bankrupt assets, and doubtful assets based on the Financial Reconstruction Law
(Billions of yen)

	Mar. 31, 2002	Sep. 30, 2002	Mar. 31, 2003	Change
				(H)
Bankrupt and quasi-bankrupt assets	80.6	96.4	60.5	(35.9)
Doubtful assets	1,751.9	1,131.5	729.5	(402.0)
Total	1,832.5	1,227.9	790.0	(437.9)

(G) (H)

(Note) Balance as of Mar. 31, 2003 includes JPY 56.1 billion, the result of measures connected to off-balancing.

(2) Progress of off-balancing

(Billions of yen)

Second half of FY2002	
Disposition by borrowers' liquidation	(0.5)
Reconstructive disposition --- (a)	(93.8)
Improvement in debtors' performance due to (a)	(42.7)
Loan sales to market	(10.0)
Direct write-offs	(16.5)
Others	(274.4)
Collection/repayment, etc.	(111.1)
Improvement in debtors' performance	(163.3)
Total	(437.9)

(H)

5. Problem assets classified during the first half of FY2002

(1) Term-end balance of bankrupt and quasi-bankrupt assets, and doubtful assets based on the Financial Reconstruction Law
(Billions of yen)

	Sep. 30, 2002	Mar. 31, 2003	Change
			(J)
Bankrupt and quasi-bankrupt assets	64.5	204.8	140.3
Doubtful assets	483.9	153.6	(330.3)
Total	548.4	358.4	(190.0)

(I) (J)

(Note) Balance as of Mar. 31, 2003 includes JPY 107.7 billion, the result of measures connected to off-balancing.

(2) Progress of off-balancing

(Reference) Progress of off-balancing
(Second half of FY2002 total)

(Billions of yen)	
Second half of FY2002	
Disposition by borrowers' liquidation	-
Reconstructive disposition --- (a)	(7.7)
Improvement in debtors' performance due to (a)	-
Loan sales to market	(4.7)
Direct write-offs	(109.5)
Others	(68.1)
Collection/repayment, etc.	(62.1)
Improvement in debtors' performance	(6.0)
Total	(190.0)

(J)

(Billions of yen)	
Second half of FY2002	
Disposition by borrowers' liquidation	(52.0)
Reconstructive disposition --- (a)	(124.2)
Improvement in debtors' performance due to (a)	(42.7)
Loan sales to market	(924.6)
Direct write-offs	423.2
Others	(550.7)
Collection/repayment, etc.	(306.0)
Improvement in debtors' performance	(244.7)
Total	(1,271.0)

(B)+(D)+(F)+(H)+(J)

6. Problem assets classified during the second half of FY2002

(1) Term-end balance of bankrupt and quasi-bankrupt assets, and doubtful assets based on the Financial Reconstruction Law

(Billions of yen)

Mar. 31, 2003	
Bankrupt and quasi-bankrupt assets	44.4
Doubtful assets	809.4
Total	853.8

(K)

(Note) Balance as of Mar. 31, 2003 includes JPY 40.7 billion, the result of measures connected to off-balancing.

(Reference) Balance of bankrupt and quasi-bankrupt assets, and doubtful assets based on the Financial Reconstruction Law

(Billions of yen)

	Sep. 30, 2000	Mar. 31, 2001	Sep. 30, 2001	Mar. 31, 2002	Sep. 30, 2002	Mar. 31, 2003	Change
							(L)
Bankrupt and quasi-bankrupt assets	653.0	594.0	578.3	498.2	519.3	524.9	5.6
Doubtful assets	2,594.8	1,954.1	1,657.9	2,982.3	2,552.3	2,129.5	(422.8)
Total	3,247.8	2,548.1	2,236.2	3,480.5	3,071.6	2,654.4	(417.2)