

## 12. Reserve for Possible Loan Losses

&lt;SMBC Non-consolidated&gt;

(Millions of yen)

	Sep. 30, 2003			Mar. 31, 2003	Sep. 30, 2002
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Reserve for possible loan losses	1,518,988	(555,809)	(358,206)	2,074,797	1,877,194
General reserve	880,265	(232,970)	(15,230)	1,113,235	895,495
Specific reserve	629,185	(320,811)	(341,042)	949,996	970,227
Loan loss reserve for specific overseas countries	9,537	(2,029)	(1,934)	11,566	11,471
Amount of direct reduction	1,320,848	366,807	(85,626)	954,041	1,406,474
Reserve for possible losses on loans sold	222	(16,947)	(41,712)	17,169	41,934

&lt;Consolidated&gt;

(Millions of yen)

	Sep. 30, 2003			Mar. 31, 2003	Sep. 30, 2002
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Reserve for possible loan losses	1,699,431	(544,111)	(350,041)	2,243,542	2,049,472
General reserve	945,452	(228,475)	(1,198)	1,173,927	946,650
Specific reserve	744,440	(313,608)	(346,910)	1,058,048	1,091,350
Loan loss reserve for specific overseas countries	9,537	(2,029)	(1,934)	11,566	11,471
Amount of direct reduction	1,693,302	368,843	(74,744)	1,324,459	1,768,046
Reserve for possible losses on loans sold	2,628	(18,037)	(44,562)	20,665	47,190