

10. Classification under Self-Assessment, Disclosure of Problem Assets, and Write-Offs / Reserves  
 <SMBC Non-consolidated>

<As of Mar. 31, 2005>						(Billions of yen)			
Category of Borrowers under Self-Assessment	Problem Assets based on the Financial Reconstruction Law	Classification under Self-Assessment				Reserve for possible loan losses	Reserve Ratio		
		Classification I	Classification II	Classification III	Classification IV				
Bankrupt Borrowers	Bankrupt and Quasi-Bankrupt Assets  448.3 (i) (Change from Mar. 31, 2004: +86.7)	Portion of claims secured by collateral or guarantees, etc.  432.2 (a)	Fully reserved  16.1	Direct Write-offs (*1)	Specific Reserve	22.4 (*2)	100% (*3)		
Effectively Bankrupt Borrowers									
Potentially Bankrupt Borrowers	Doubtful Assets  924.4 (ii) (Change from Mar. 31, 2004: -278.3)	Portion of claims secured by collateral or guarantees, etc.  348.4 (b)	Necessary amount reserved  576.0			545.2 (*2)	94.6% (*3)		
Borrowers Requiring Caution	Substandard Loans 451.9 (iii) (Change from Mar. 31, 2004: -795.0) (Claims to Substandard Borrowers)	Portion of Substandard Loans secured by collateral or guarantees, etc.  179.2 (c)				General Reserve for Substandard Loans 124.6	45.0% (*3)	25.5% (*3)	
	Normal Assets	Claims to Borrowers Requiring Caution, excluding claims to Substandard Borrowers				417.6	6.7% [17.9%] (*4)		
Normal Borrowers		Claims to Normal Borrowers					0.2% (*4)		
Total 55,277.2 (iv)						Loan Loss Reserve for Specific Overseas Countries 3.9			
A=(i)+(ii)+(iii)		B: Portion secured by collateral or guarantees, etc.		C: Unsecured portion ( A - B )			Reserve Ratio		
1,824.6 (v) (Change from Mar. 31, 2004: -986.6) <Problem asset ratio ((v)/(iv)) 3.3%>		(a)+(b)+(c)  959.8	864.8			(*5)  $\frac{D}{C}$  80.0%			
			D: Specific Reserve + General Reserve for Substandard Loans (*2)  692.2						

$$\text{Coverage Ratio} = (B+D)/A \quad 90.5\%$$

(\*1) Includes amount of direct reduction totaling JPY 1,531.8 billion.

(\*2) Includes reserve for assets that are not subject to disclosure based on the Financial Reconstruction Law standards.

(Bankrupt/Effectively Bankrupt Borrowers: JPY 6.3 billion, Potentially Bankrupt Borrowers: JPY 7.5 billion)

(\*3) Reserve ratios for claims on Bankrupt Borrowers, Effectively Bankrupt Borrowers, Potentially Bankrupt Borrowers, Substandard Borrowers and Borrowers Requiring Caution including Substandard Borrowers are the proportion of reserve for the possible loan losses to each category's total unsecured claims.

(\*4) Reserve ratios for claims on Normal Borrowers and Borrowers Requiring Caution (excluding claims to Substandard Borrowers) are the proportion of the reserve for possible loan losses to the respective claims of each category

The reserve ratio for unsecured claims on Borrowers Requiring Caution (excluding claims to Substandard Borrowers) is shown in [ ].

(\*5) The proportion of the reserve to the claims, excluding the portion secured by collateral or guarantees, etc.