(Table 15) Disposition of Problem Assets

<Sumitomo Mitsui Banking Corporation (Non-consolidated)> (Billions of yen)

	FY03 Actual	1st half, FY04 Actual	FY04 Forecast
Credit related costs (A)	1,141.3	805.5	
Transfer to specific reserve for possible loan losses	276.4	403.8	
Write-off of loans and other related losses (C)	869.2	404.5	
Write-off of loans	501.1	347.8	
Losses on sales of loans to CCPC	0.8	-	
Losses on sales of loans to RCC*1	9.3	0.2	
Losses on bulk sales	292.8	55.5	
Losses on debt forgiveness	65.2	1.0	
Transfer to reserve for possible losses from loans sold to CCPC	(0.5)	-	
Transfer to reserve for supporting specific borrowers	-	-	
Transfer to loan loss reserve for specific overseas countries	(3.8)	(2.8)	
Transfer to general reserve for possible loan losses (B)	(337.9)	(349.7)	
Total (A) + (B)	803.4	455.8	650.0

<Reference>

Direct write-off of loans already reserved (D)	1,243.7	367.7	-
Gross direct write-offs (C) + (D)	2,112.9	772.1	-

<Sumitomo Mitsui Financial Group (Consolidated)> (Billions of yen)

	FY03 Actual	1st half, FY04 Actual	FY04 Forecast
Credit related costs (A)	1,287.8	853.0	
Transfer to specific reserve for possible loan losses	320.7	408.3	
Write-off of loans and other related losses (C)	971.4	447.5	
Write-off of loans	595.2	390.2	
Losses on sales of loans to CCPC	1.3	-	
Losses on sales of loans to RCC*1	9.4	0.2	
Losses on bulk sales	300.3	56.1	
Losses on debt forgiveness	65.2	1.0	
Transfer to reserve for possible losses from loans sold to CCPC	(0.5)	-	
Transfer to reserve for supporting specific borrowers	-	-	
Transfer to loan loss reserve for specific overseas countries	(3.8)	(2.8)	
Transfer to general reserve for possible loan losses (B)	(331.2)	(240.2)	
Total (A) + (B)	956.6	612.8	

<Reference>

Direct write-off of loans already reserved (D)	1,367.2	403.1	-
Gross direct write-offs (C) + (D)	2,338.6	850.6	-

*1 Losses due to the sales of loans to the specific bank defined in Article 53 of Financial Reconstruction Law.