

(Table 15) Disposition of Problem Assets

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Actual	FY06 Forecast
Credit related costs (A)	1,306.3	75.9	
Provision for specific reserve for possible loan losses	474.1	15.8	
Write-off of loans and other related losses (C)	836.0	61.7	
Write-off of loans*1	605.8	(26.2)	
Losses on sales of loans to RCC*2	0.5	0.2	
Losses on bulk sales	137.5	79.4	
Losses on debt forgiveness	92.2	8.3	
Provision for reserve for possible losses from loans sold to CCPC	-	-	
Provision for reserve for supporting specific borrowers	-	-	
Provision for loan loss reserve for specific overseas countries	(3.8)	(1.6)	
Provision for general reserve for possible loan losses (B)	(351.5)	155.0	
Total (A) + (B)	954.8	230.9	170.0

<Reference>

Direct write-off of loans already reserved (D)	443.6	1,275.3	-
Gross direct write-offs (C) + (D)	1,279.6	1,337.0	-

<Sumitomo Mitsui Financial Group (Consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Actual	FY06 Forecast
Credit related costs (A)	1,398.0	181.9	
Provision for specific reserve for possible loan losses	493.9	45.0	
Write-off of loans and other related losses (C)	907.9	138.5	
Write-off of loans*1	667.2	29.5	
Losses on sales of loans to RCC*2	0.6	0.2	
Losses on bulk sales	147.9	100.5	
Losses on debt forgiveness	92.2	8.3	
Provision for reserve for possible losses from loans sold to CCPC	-	-	
Provision for reserve for supporting specific borrowers	-	-	
Provision for loan loss reserve for specific overseas countries	(3.8)	(1.6)	
Provision for general reserve for possible loan losses (B)	(201.2)	120.1	
Total (A) + (B)	1,196.8	302.0	

<Reference>

Direct write-off of loans already reserved (D)	540.9	1,397.9	-
Gross direct write-offs (C) + (D)	1,448.8	1,536.4	-

*1 Gains on collection of written-off claims are included in Write-off of loans in FY05.

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