

Analyst Meeting Presentation Material



November 29, 2006

Mitsui Trust Financial Group

Agenda

I. Management Strategies

- *Management Direction*
- *Financial Summary*
- *Recomposition of Revenue Structure*
- *Profitability & Efficiency*
- *Enhancement of Profitability*
- *Revenues by Business Unit*
- *Expense Situation*
- *Strengthening of Balance Sheet*

II. Business Operations

1. *Fee Business*
2. *Banking Business*
3. *New Businesses*

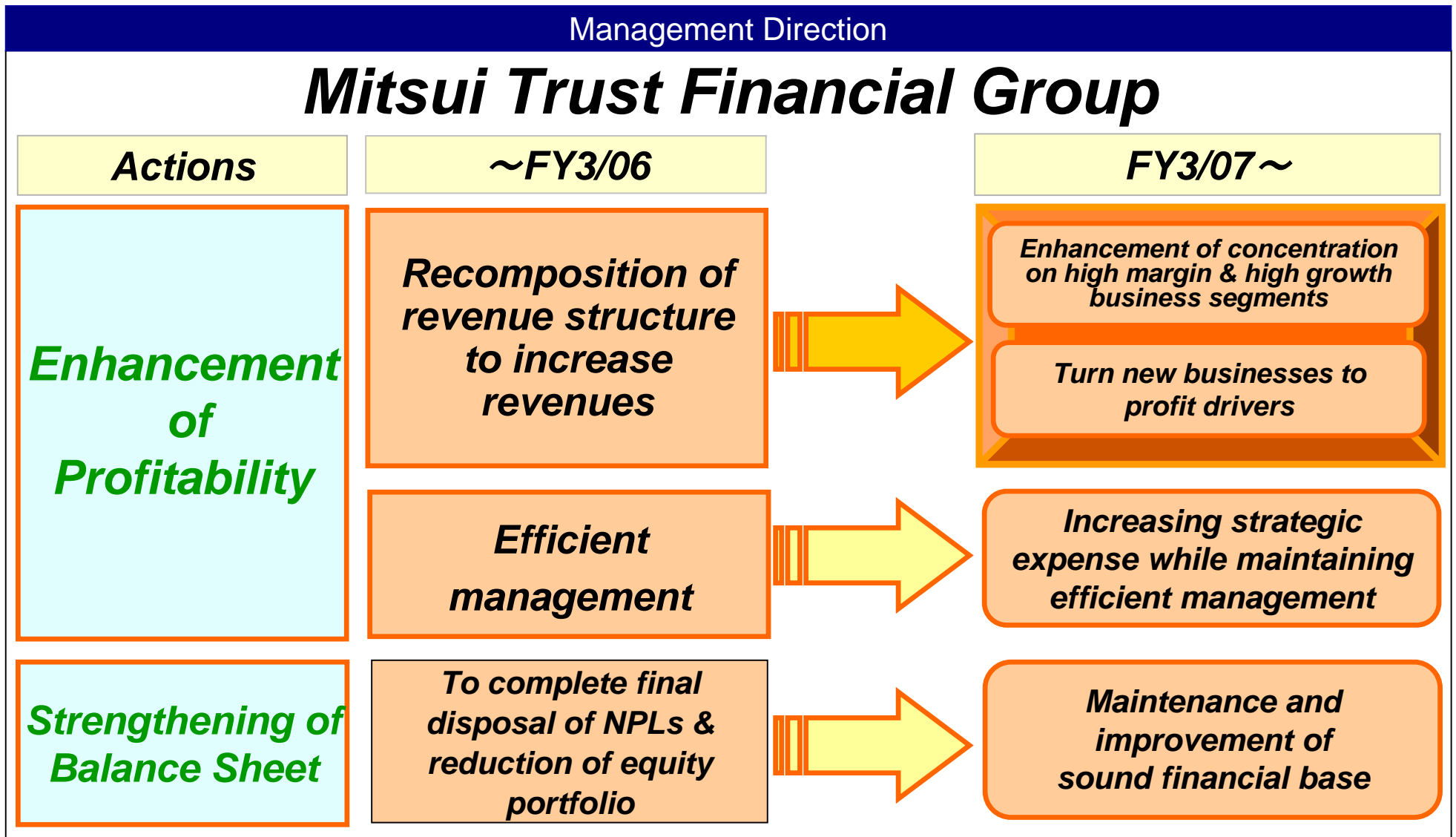
III. Strengthening of Balance Sheet

- *Disposal of NPLs*
- *NPL Balance & NPL Ratio*
- *Equity Portfolio & Deferred Tax Assets*
- *Capital*

I. Management Strategies

- *Management Direction*
 - *Financial Summary*
 - *Recomposition of Revenue Structure*
 - *Profitability & Efficiency*
- Enhancement of Profitability*
Revenues by Business Unit
Expense Situation
Strengthening of Balance Sheet

Management Direction



Enhancement of Profitability

Items	1H.FY3/07 Actual	FY3/07 Plan
Enhancement of Profitability		
Investment trust & Annuity insurance sales	Sales of ¥441.1bn (Record High) (¥63bn increase, or 17% increase YoY)	Sales amount: ¥940bn
Real estate related revenue	Revenues of ¥16.1bn (Record High) (¥3.1bn increase, or 24% increase YoY)	Revenue: ¥37bn ¥2bn increase from initial plan
Housing loans	Loan balance* of ¥1,991.3bn (¥72.4bn increase from 3/06) (after securitization)	End balance increase: ¥226bn
“Business loans”	Loan balance* of ¥26.8bn (¥20.2bn increase from 3/06) (CMTB’s portion)	Loan end balance: ¥73bn ¥23bn increase from initial plan
Corporate restructuring & revitalization finance	Loan balance of ¥60.7bn (¥19.5bn increase from 3/06)	Loan end balance: ¥104bn ¥2bn increase from initial plan

*1 CMTB, non-consolidated *2 MTH, consolidated

Financial Summary

1H.FY3/07 Highlights & FY3/07 Outlook									
	a	b	c:b-a		d	e	f:e-d		(Yen bn)
		Actual				e:d-b			
Combined totals	1H.FY3/06	1H.FY3/07	Change	%	FY3/06	FY3/07	Change	%	
CMTB+MATB									
Gross operating profit ^{*1}	129.6	124.6	(4.9)	(4)%	283.3	278.0	(5.3)	(2)%	
Of which housing loan securitization profit	8.8	-	(8.8)	-	16.2	-	(16.2)	-	
Operating expenses [minus]	49.6	47.8	(1.7)	(3)%	100.2	98.0	(2.2)	(2)%	
Overhead ratio	38%	38%	0%	0%	35%	35%	0%	0%	
Pre-provision profit ^{*2}	80.0	76.8	(3.2)	(4)%	183.0	180.0	(3.0)	(2)%	
Net stock related profit	9.9	7.2	(2.6)	(26)%	26.5	5.0	(21.5)	(81)%	
Of which capital gain on alternative investments	2.5	3.5	1.0	40%	3.6	3.5	(0.1)	(3)%	
Credit Costs [minus]	22.9	13.6	(9.3)	(41)%	65.6	20.0	(45.6)	(70)%	
Recurring profit	63.4	67.2	3.8	6%	125.2	155.0	29.8	24%	
Gain on partial withdrawal of employee retirement benefit trust	-	15.8	15.8	-	-	15.8	15.8	-	
Deferred income taxes [minus]	0.0	10.6	10.5	-	0.1	43.0	42.9	-	
Net income	59.8	70.1	10.2	17%	118.2	120.0	1.8	2%	
MTH, Consolidated	1H.FY3/06	1H.FY3/07	Change	%	FY3/06	FY3/07	Change	%	
Recurring profit	67.6	68.4	0.8	1%	138.3	160.0	21.7	16%	
Net income	58.6	66.9	8.3	14%	119.6	120.0	0.4	0%	
ROE ^{*3}	22%	21%	(1)%		23%	19%	(4)%		

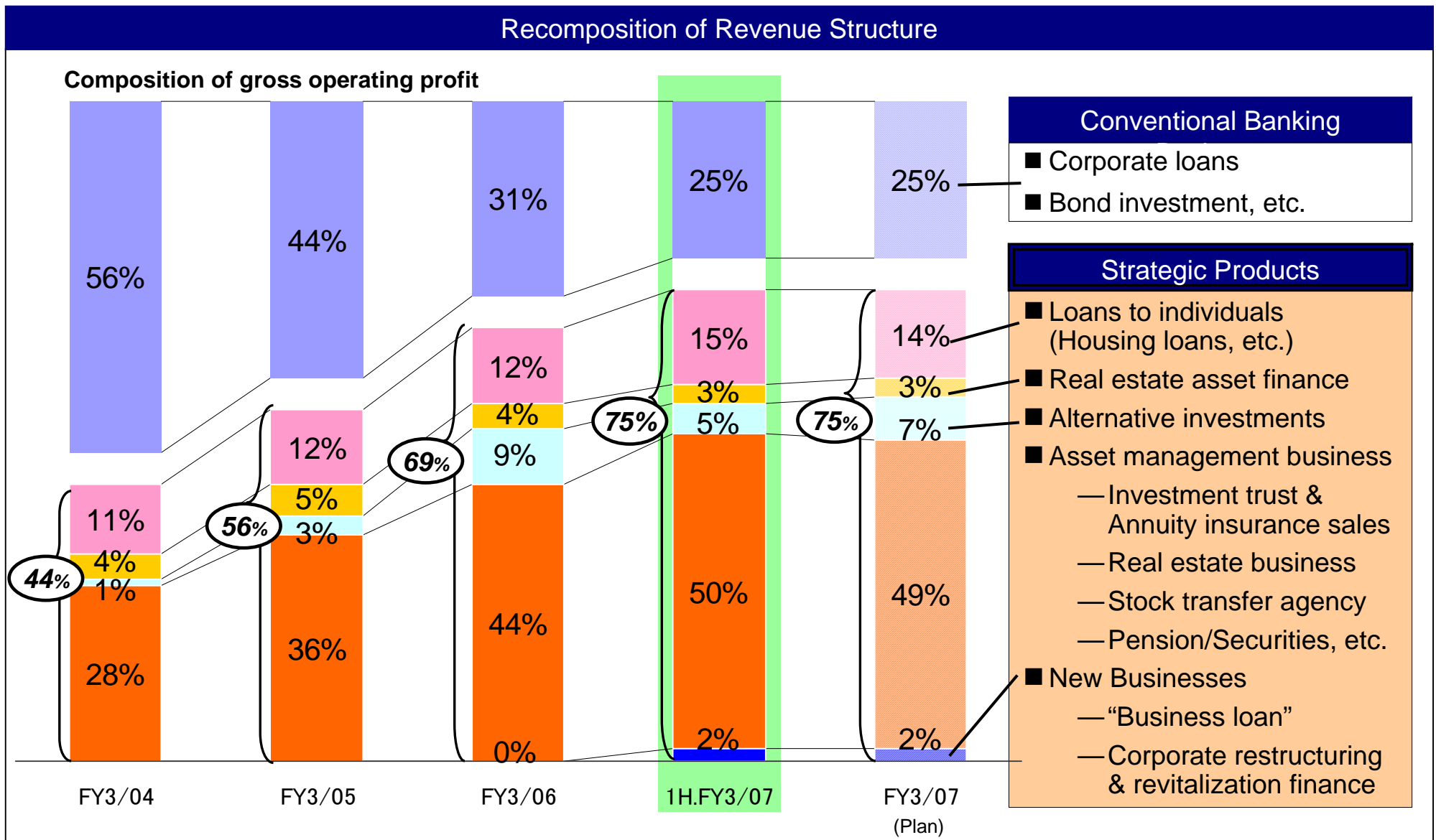
*1 Before trust a/c credit costs *2 Effective net operating profit before trust a/c credit costs & provision(reversal) of general reserve

*3 Calculated using average balance of outstanding capital

Revenues by Business Unit

Revenues by Business Unit								
	a	b	c:b-a		d	e	f:e-d	
	1H.FY3/06	Actual 1H.FY3/07	Change	%	FY3/06	Outlook FY3/07	Change	%
	(Yen bn)							
CMTB+MATB								
Combined totals								
Asset management business	59.6	63.2	3.6	6%	125.9	138.0	12.1	10%
Investment trusts & Annuity insurance sales	17.2	15.5	(1.7)	(10)%	34.4	34.5	0.1	0%
Of which investment trusts	5.0	9.6	4.6	92%	12.2	21.0	8.8	72%
Real estate	13.0	16.1	3.1	24%	30.3	37.0	6.7	22%
Stock transfer agency	8.1	7.8	(0.3)	(4)%	16.7	15.0	(1.7)	(10)%
Pension	12.2	13.2	1.0	8%	25.7	26.5	0.8	3%
Securities	5.0	6.5	1.5	30%	10.5	14.0	3.5	33%
Of which Investment advisory fee & trust fee	2.7	4.3	1.6	59%	6.1	9.0	2.9	48%
Banking business	70.0	61.4	(8.6)	(12)%	157.4	140.0	(17.4)	(11)%
Loans to individuals	16.9	18.3	1.4	8%	33.8	38.5	4.7	14%
Real estate asset finance	6.3	4.0	(2.3)	(37)%	11.5	8.0	(3.5)	(30)%
Alternative investments	2.3	6.2	3.9	170%	24.5	18.5	(6.0)	(24)%
Housing loan securitization profit	8.8	-	(8.8)	-	16.2	-	(16.2)	-
Gross operating profit	129.6	124.6	(4.9)	(4)%	283.3	278.0	(5.3)	(2)%
Operating expenses	49.6	47.8	(1.7)	(3)%	100.2	98.0	(2.2)	(2)%
Pre-provision profit	80.0	76.8	(3.2)	(4)%	183.0	180.0	(3.0)	(2)%

Recomposition of Revenue Structure

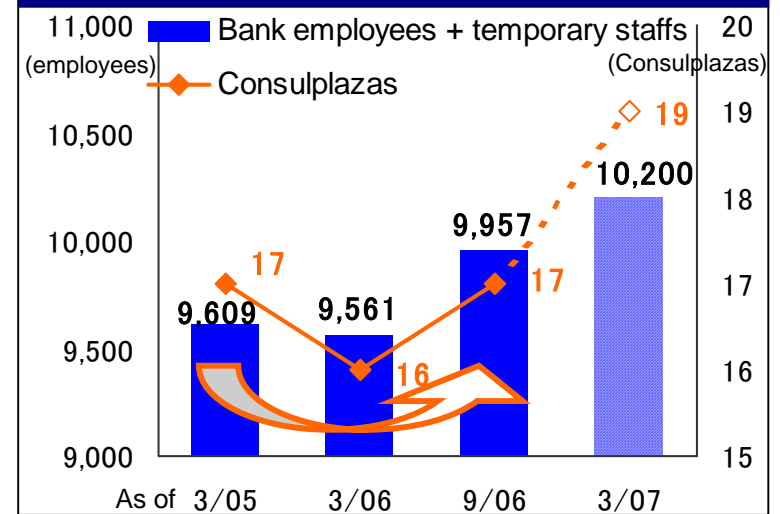


Expense Situation

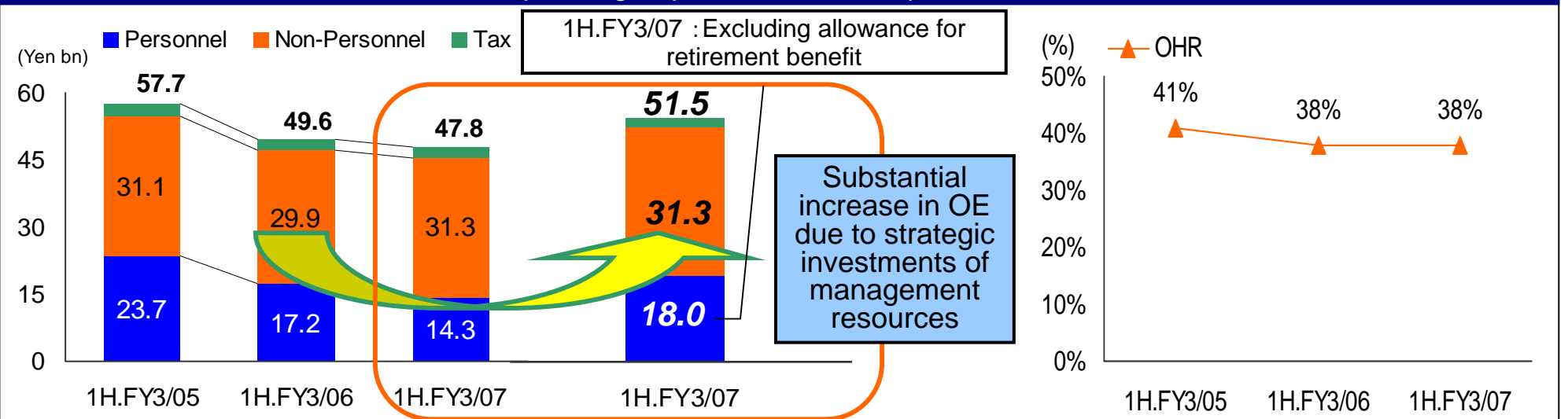
Operating Expenses (CMTB+MATB)

	Strategy
Operating Expenses	Proactive investment of management resources in high margin & high growth business segments
OHR	Maintain current efficiency level 9/06 (actual) : 38.4%

of Employees (MTH, consolidated) & # of Consulplazas *

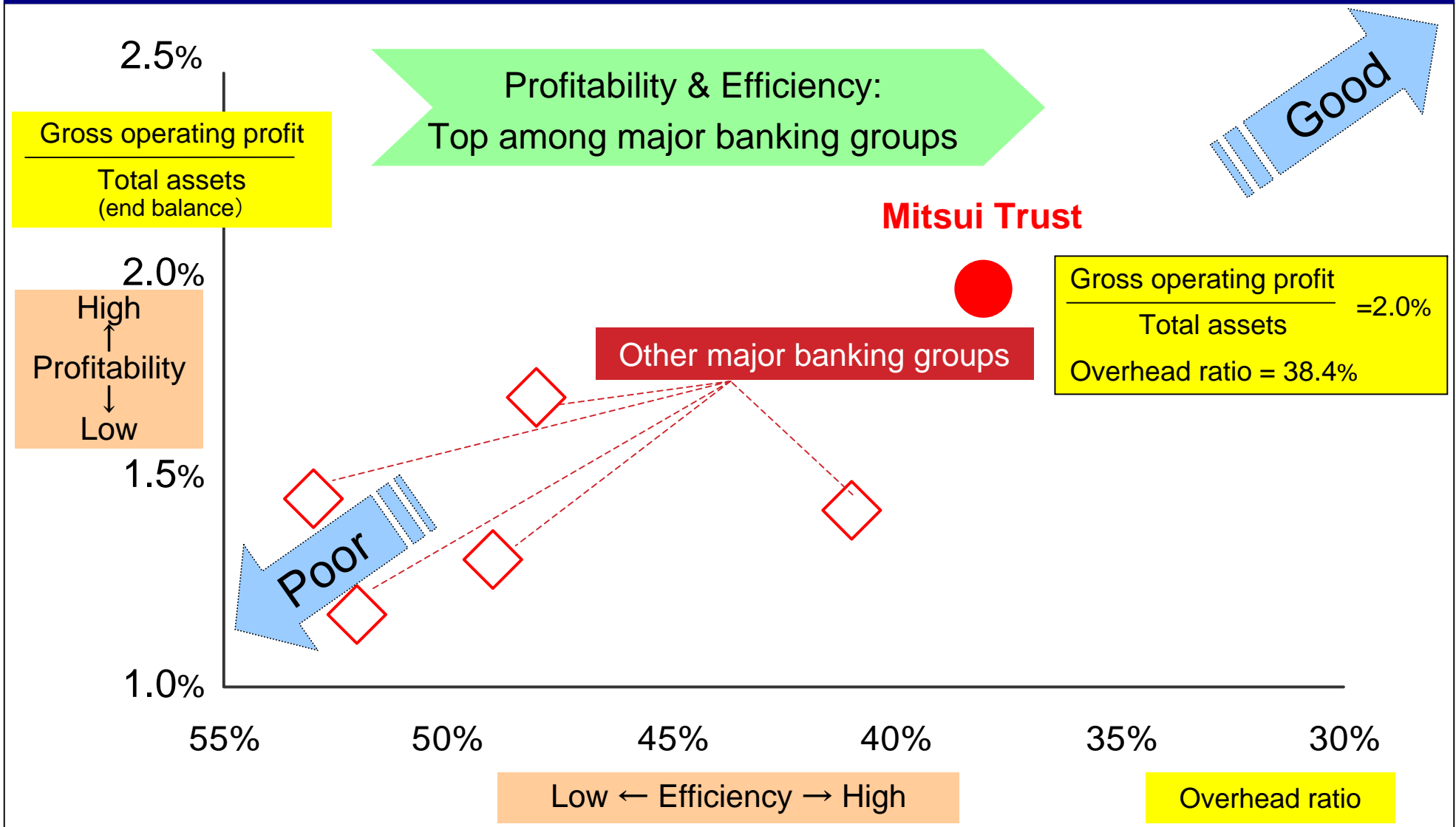


Operating Expenses YoY Comparison (CMTB+MATB)



Profitability & Efficiency

Profitability & Efficiency: 1H.FY3/07 Comparison of Major Banking Groups



Strengthening of Balance Sheet

Items	1H.FY3/07 Actual	FY3/07 Plan
Strengthening of Balance Sheet		
NPL ratio ^{*1}	Actual: 1.8% Same level as of 3/06	Maintain under 2%
Credit costs ^{*1}	Significantly decreased to ¥13.6bn from ¥22.9bn of 1H.FY3/06	Estimate: ¥20.0bn
Reduction of equity portfolio ^{*2}	Actual: 60% of Tier1 from 62% in 3/06	Maintain same level
DTAs ^{*2}	Actual: 16% of Tier1 from 18% in 3/06	Lower 10% of Tier1
Retained earnings ^{*1}	¥48.7bn Increased to ¥302.7bn	Increase to ¥350bn level

*1 CMTB, Non-consolidated *2 MTH, Consolidated

II. Business Operations

- 1. Fee Business*
- 2. Banking Business*
- 3. New Businesses*

II - 1. Fee Business

- *Investment Trust & Annuity Insurance Sales*
- *Real Estate Business*
- *Stock Transfer Agency Business*
- *Pension & Securities Business of MATB*

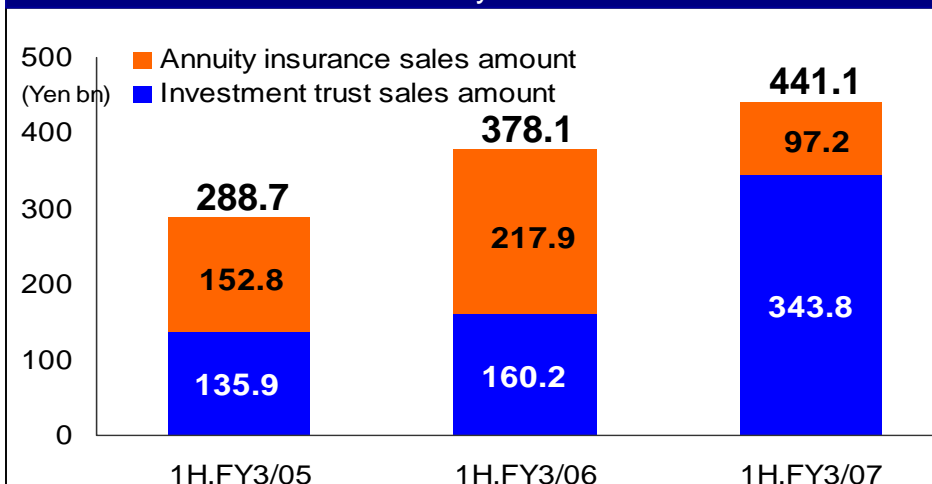
Investment Trust & Annuity Insurance Sales

By providing wide selection of products geared toward clients' needs and by allocating sufficient human resources, we will further develop and proactively market our investment trust products

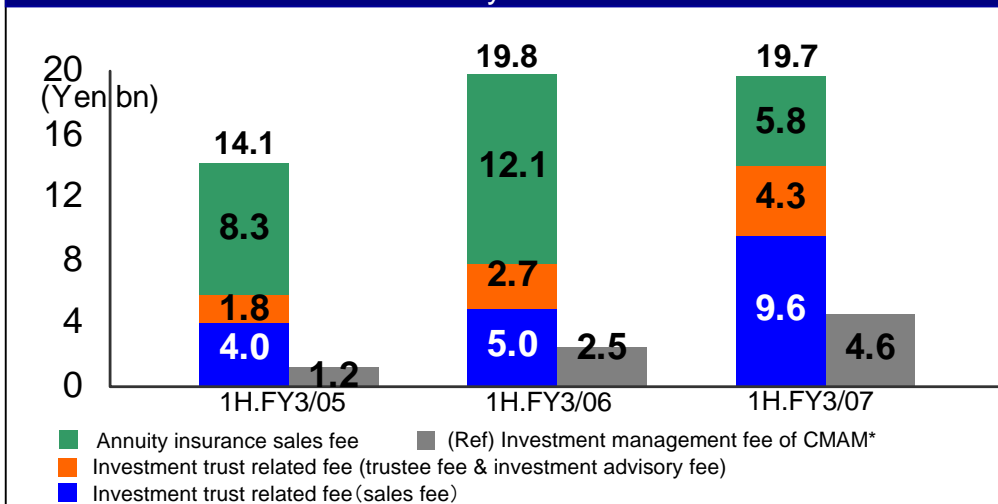
Breakdown of Investment trust & Annuity insurance related revenue

CMTB	a			b			c:b-a	d			e			f:e-d	
	1H.	Actual	Chg.	1H.	Actual	Outlook		Actual	Outlook	Chg.					
	FY3/06	FY3/07		FY3/06	FY3/07		FY3/06	FY3/07		FY3/06	FY3/07		FY3/06	FY3/07	
Investment trust related	5.0	9.6	4.6	12.2	21.0	8.8									
Annuity insurance related	12.1	5.8	(6.3)	22.1	13.5	(8.6)									
Total	17.2	15.5	(1.7)	34.4	34.5	0.1									
MATB															
Investment advisory fee	1.0	1.8	0.8	2.2	4.0	1.8									
Trustee Fee	1.7	2.5	0.8	3.9	5.0	1.1									
Total	2.7	4.3	1.6	6.1	9.0	2.9									
Grand total	19.8	19.7	(0.1)	40.5	43.5	3.0									
(Reference)															
Investment management fee of CMAM*	2.5	4.6	2.1	6.1	10.0	3.9									

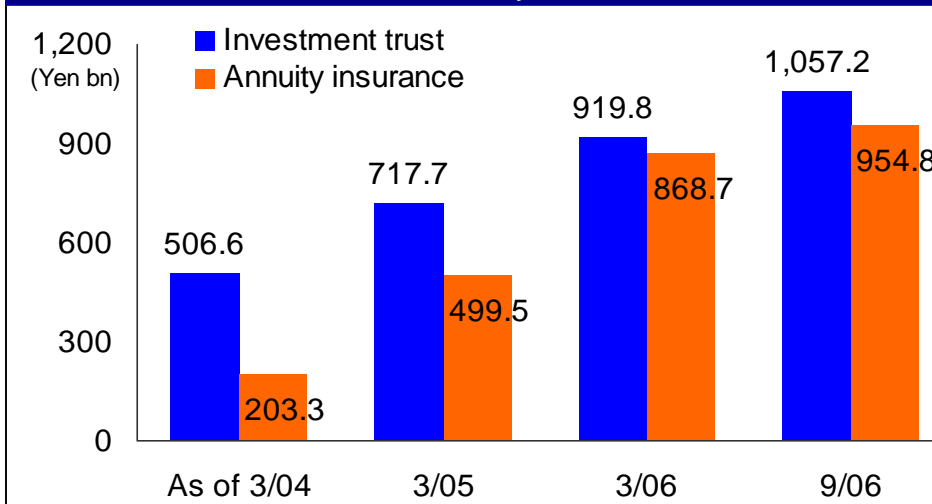
Investment trust & Annuity insurance sales amount



Investment trust & Annuity insurance related revenue



Investment trust & Annuity insurance balance

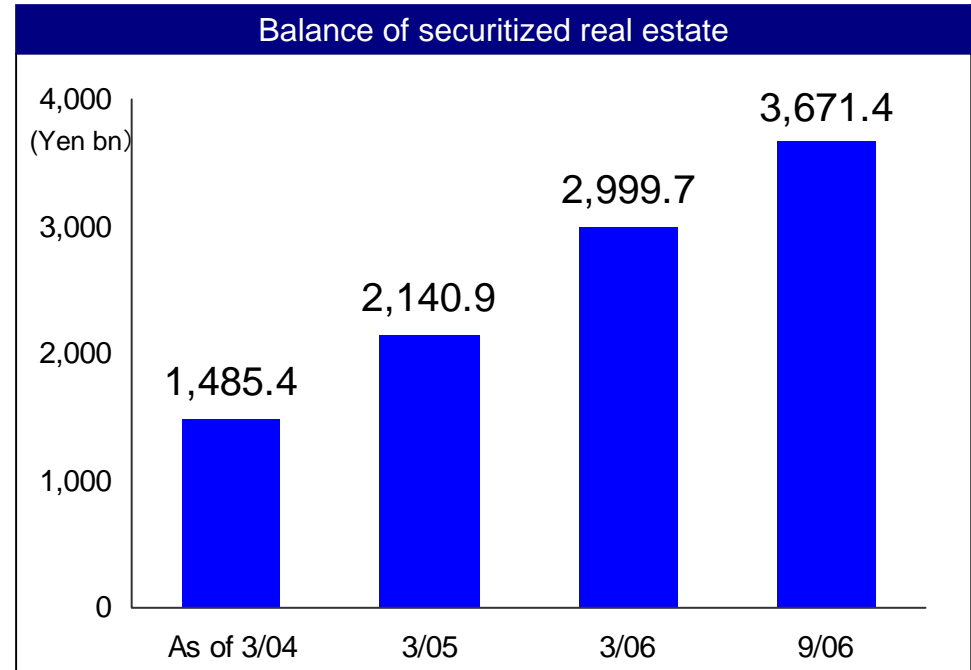
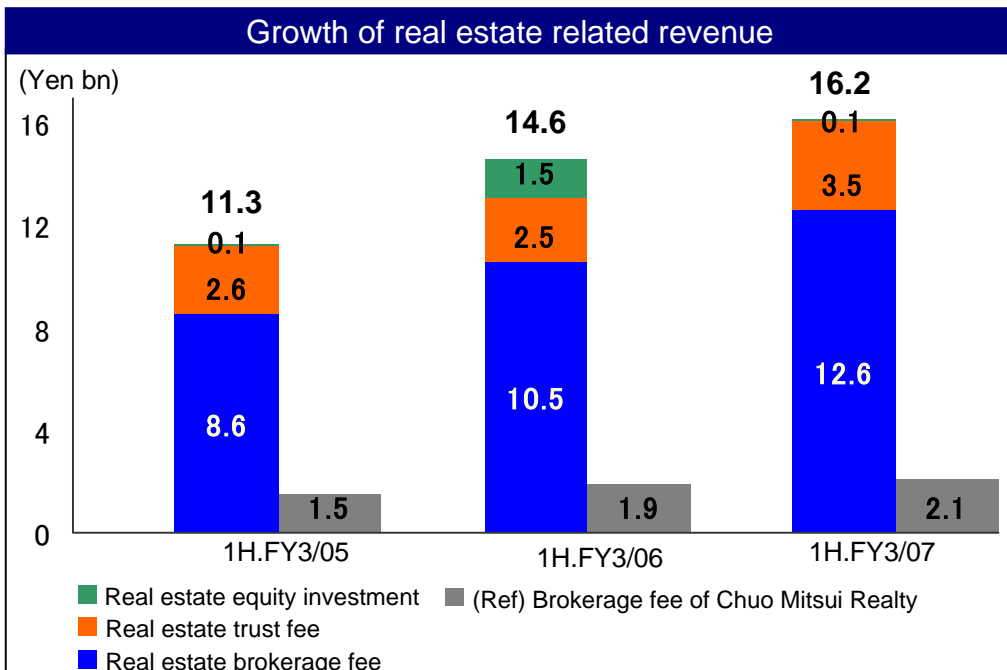


Real Estate Business

Breakdown of real estate related revenue						
CMTB	a	b	c:b-a	d	e	(Yen bn)
	1H. FY3/06	Actual 1H. FY3/07	Chg.	Actual FY3/06	Outlook FY3/07	f:e-d
Brokerage fee	10.5	12.6	2.1	24.5	30.0	5.5
Securitization related	2.5	3.5	1.0	5.8	7.0	1.2
Total	13.0	16.1	3.1	30.3	37.0	6.7
Equity investment profit	1.5	0.1	(1.4)	5.1	1.5	(3.6)
Total	14.6	16.2	1.6	35.4	38.5	3.1

(Reference)						
Brokerage fee of Chuo Mitsui Realty	a	b	c:b-a	d	e	(Yen bn)
	1H. FY3/06	Actual 1H. FY3/07	Chg.	Actual FY3/06	Outlook FY3/07	f:e-d
Brokerage fee of Chuo Mitsui Realty	1.9	2.1	0.2	4.6	4.5	(0.1)

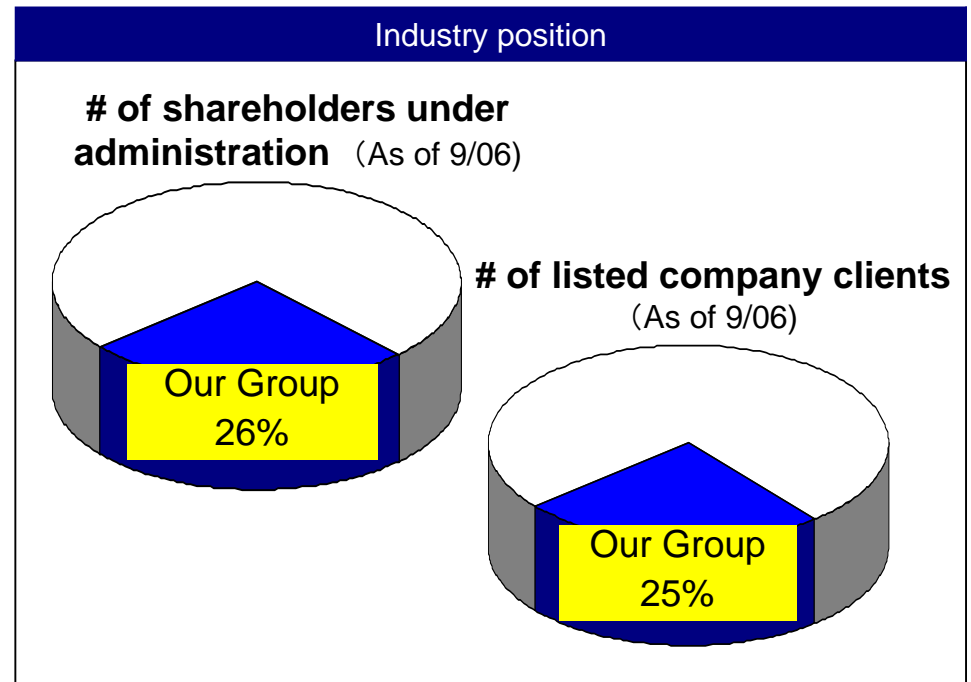
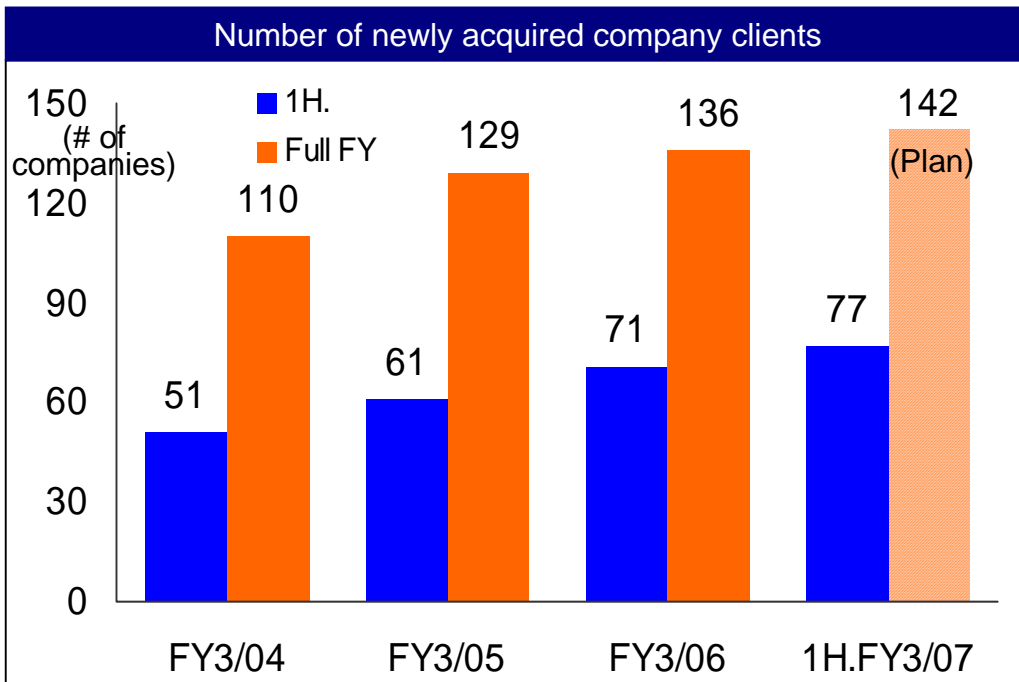
- Posted record high profit from steady increase in brokerage fees related to funds & investors
- Total real estate related profit showed strong growth due to increase in securitization of real estate



Stock Transfer Agency Business

Stock transfer agency business related revenue						
CMTB	a	b	c:b-a	d	e	(Yen bn) f:e-d
	1H.	Actual 1H.		Actual	Outlook	
	FY3/06	FY3/07	Chg.	FY3/06	FY3/07	Chg.
Fees received	13.5	13.5	0.0	27.7	25.8	(1.9)
Fees paid (Minus)	5.3	5.7	0.4	10.9	10.8	(0.1)
	8.1	7.8	(0.3)	16.7	15.0	(1.7)

Maintain high market share by providing high value-added services, such as IT online system for shareholders' meeting and verification of actual shareholders



Pension & Securities Business of Mitsui Asset

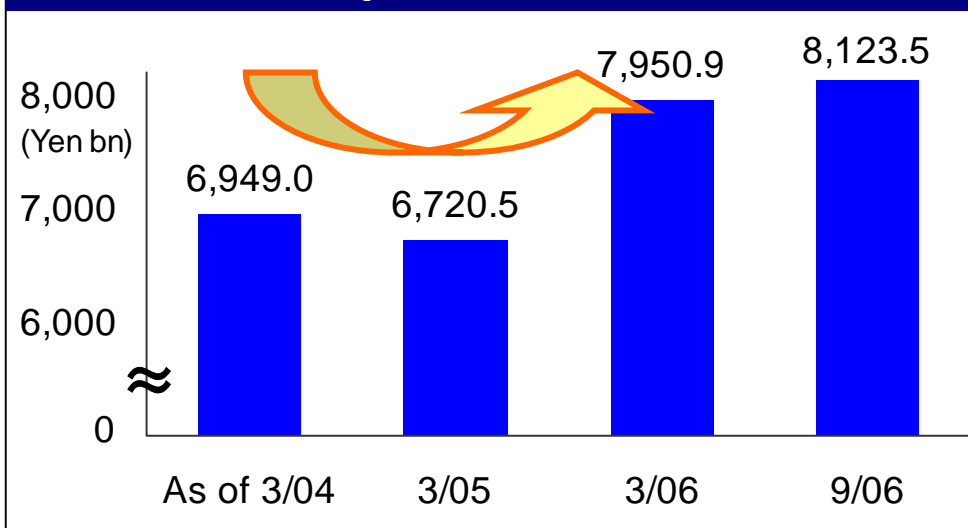
Pension: Negative impact of "Daiko Henjo" is over
Both entrusted assets & related profit showed steady growth

Securities: Steady increase in balance of entrusted investment trust assets contributed to profit increase

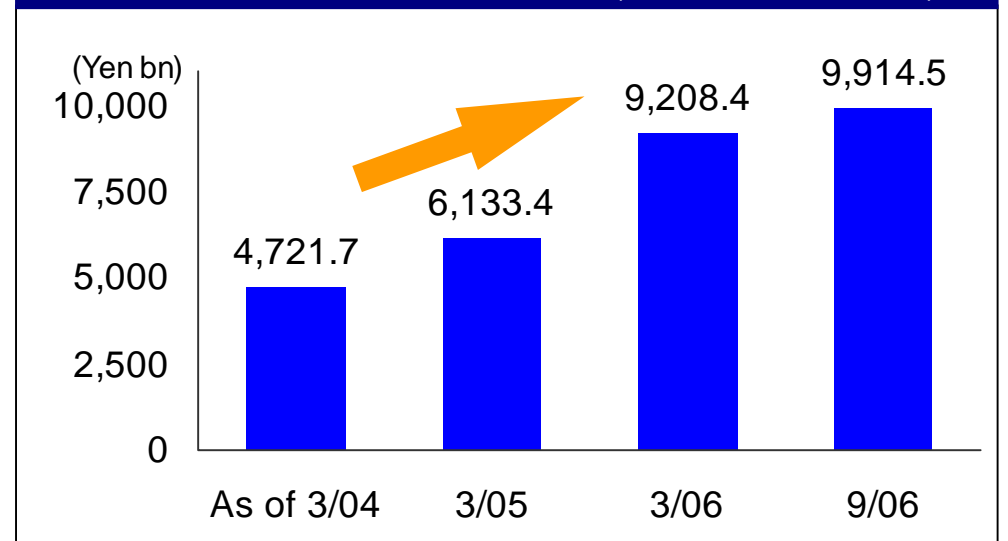
Pension business related revenue						
MATB	a	b	c:b-a	d	e	f:e-d
	1H.	Actual		Actual	Outlook	
	FY3/06	1H. FY3/07	Chg.	FY3/06	FY3/07	Chg.
Pension business						
Fees received	14.8	16.0	1.2	31.0	26.5	
Fees paid (minus)	2.6	2.8	0.2	5.3		
Total	12.2	13.2	1.0	25.7	26.5	0.8

Securities business related revenue						
MATB	a	b	c:b-a	d	e	f:e-d
	1H.	Actual		Actual	Outlook	
	FY3/06	1H. FY3/07	Chg.	FY3/06	FY3/07	Chg.
Securities business						
Fees received	6.3	7.8	1.5	13.3	14.0	
Fees paid (minus)	1.3	1.3	0.0	2.8		
Total	5.0	6.5	1.5	10.5	14.0	3.5

Balance of entrusted pension assets & discretionary assets under management (Market value basis)



Balance of entrusted investment trust (Net asset value basis)



II-2. Banking business

•*Loan Portfolio*

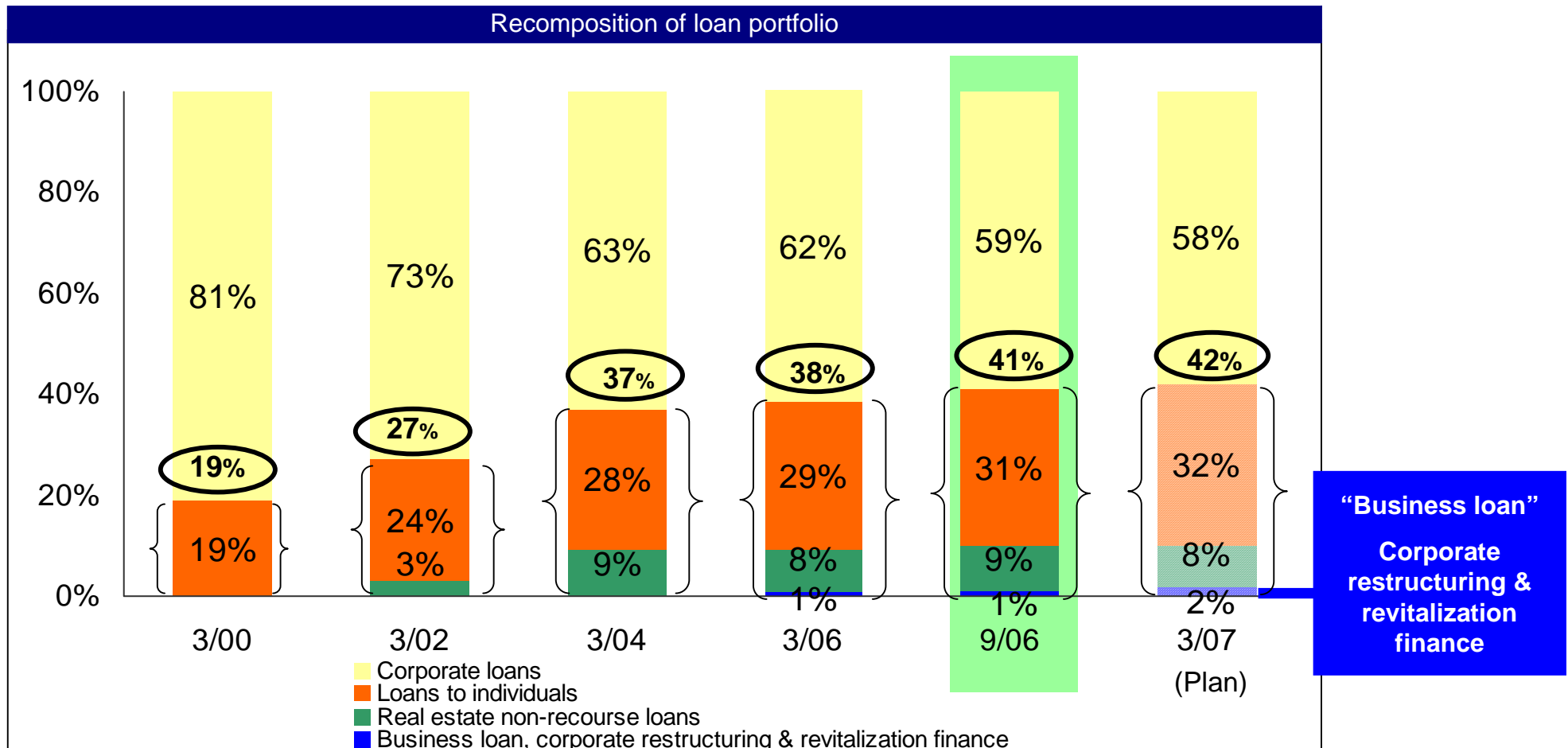
•*Real Estate Asset Finance*

•*Loans to Individuals*

•*Alternative Investments*

Loan Portfolio

- Appropriate risk control adopted in constructing loan portfolio, such as stringent selection of loans to consumer finance companies
- Weight of comparatively high margin loans to individuals and real estate non-recourse loans, etc. exceeded 40%
- Aiming to expand our new “Business Loans” and Corporate restructuring and revitalization finance



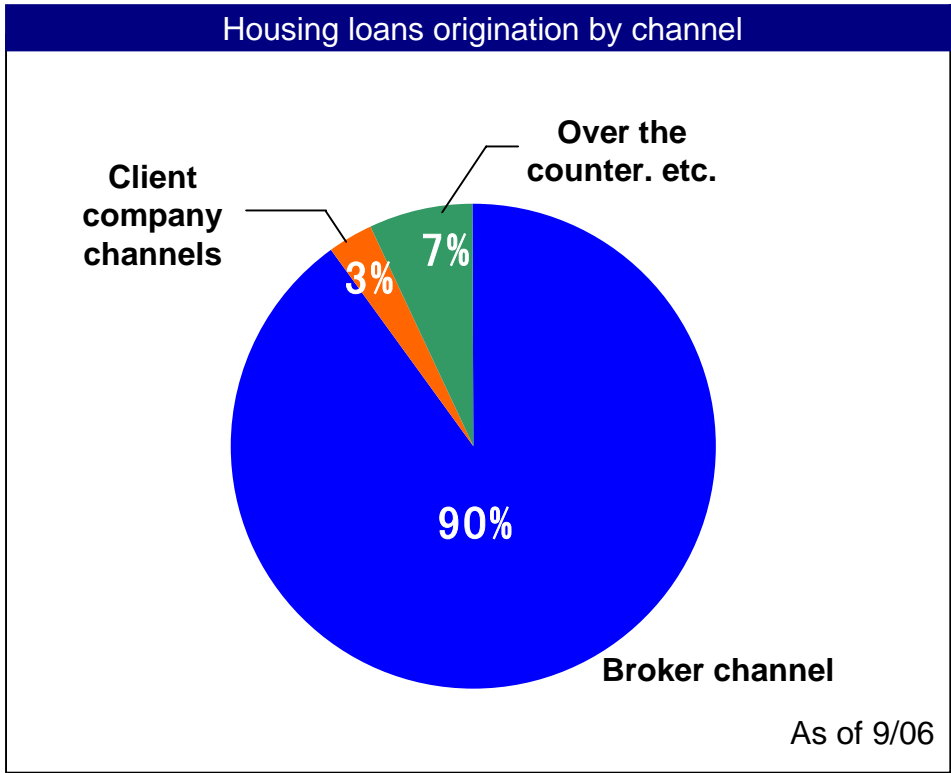
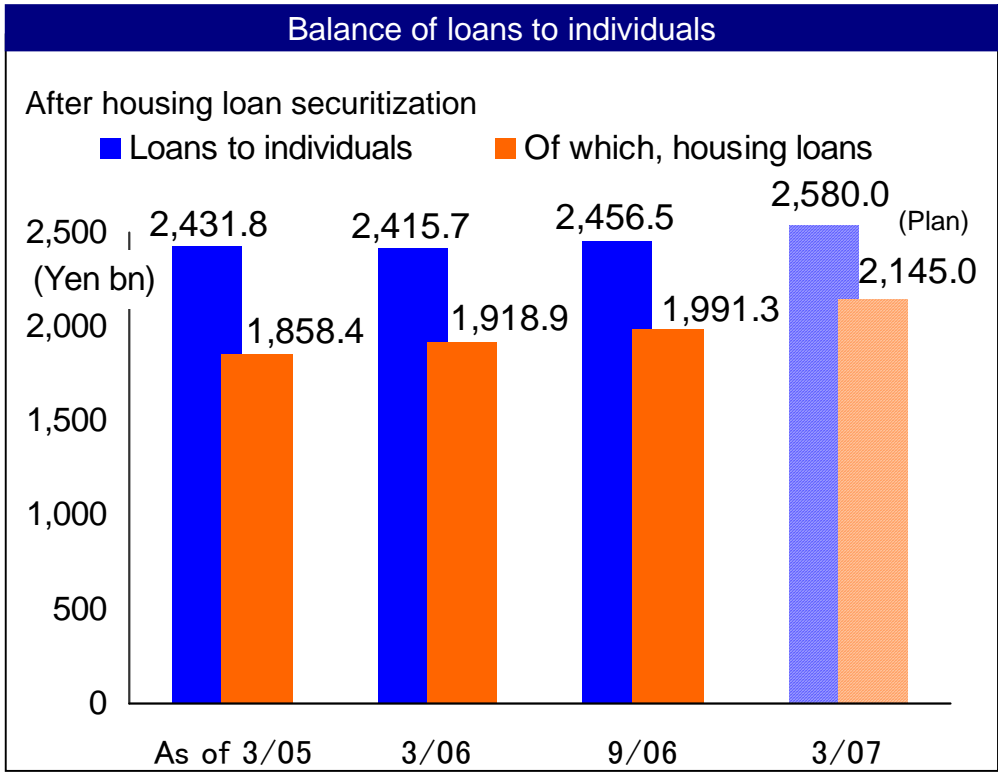
Loans to Individuals

Continue to focus on high margin loans to individuals
 ⇒ **Consistent growth in balance**

Achieved effective hedging of interest rate risk through securitization of housing loans
 ⇒ **No plan for further securitization**

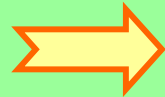
1H.FY3/07 actual
 ■ **New housing loan origination: ¥235.4bn**
 ■ **Net increase: ¥72.4bn**

“Route sales (real estate agent and developer channel)” strategy brings in successful differentiation with competitors

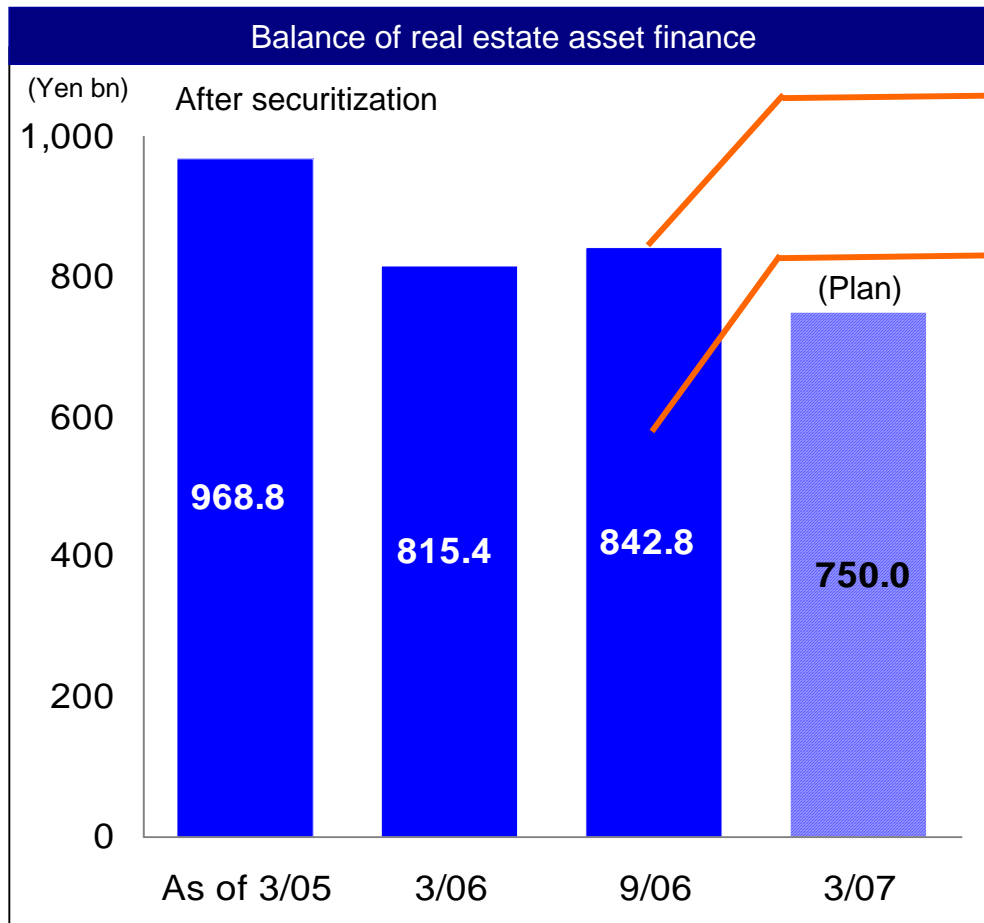


Real Estate Asset Finance

Market: Increased competition led to decrease in profitable originations that meet our risk-return criteria



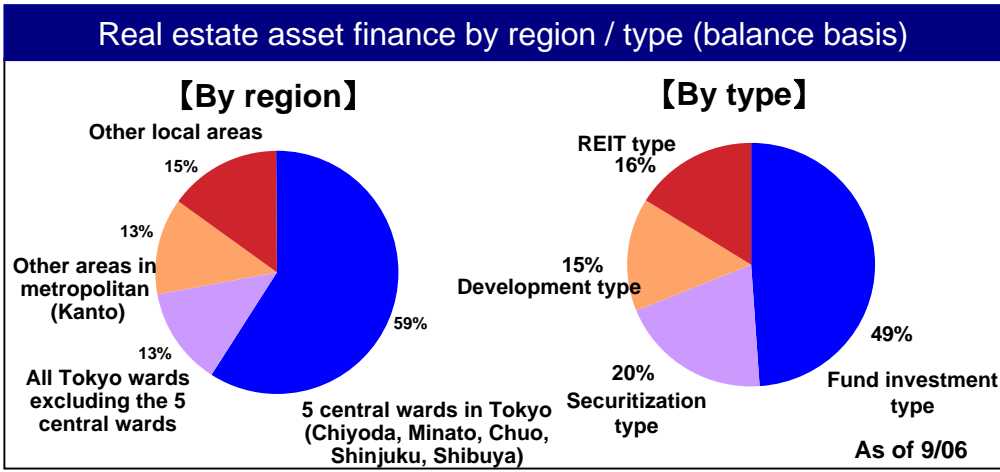
Restrain aggressive balance increase
Shift to a "fee business model" by utilizing securitization capabilities



Securitized ¥30bn in 1H.FY3/07
(Securitized ¥140.7bn in FY3/06)

Portfolio by LTV / DSCR (As of 9/06)
LTV * below 70%: 93.9% DSCR* over 2.0x: 81.2%

*Excluding REIT type and development type



Fund investment type: Real estate fund investment

Securitization type: Off-balance real estate of corporations

Development type: Build new office buildings and large condominiums

REIT type: Loans to REIT (to investment company)

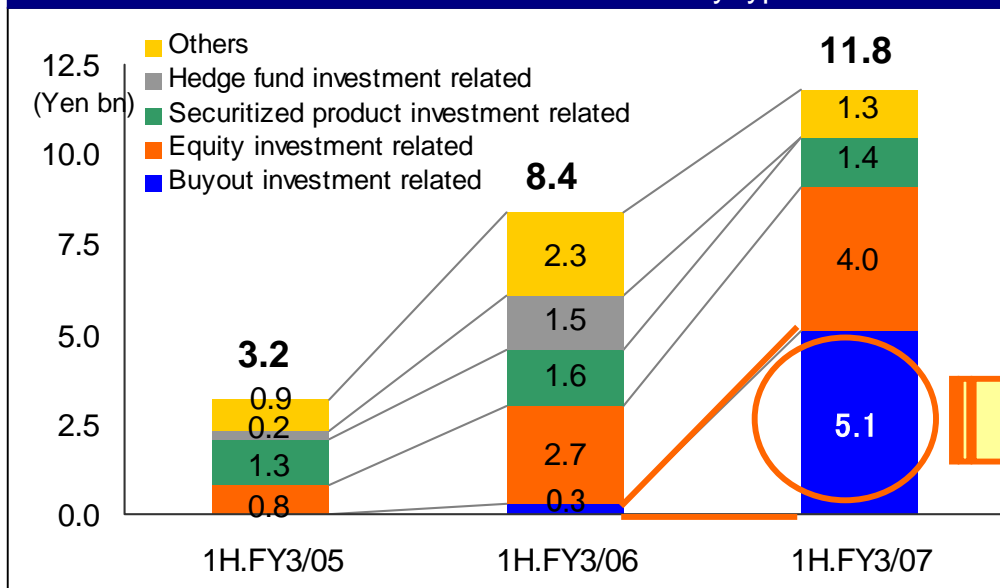
Alternative Investments

Alternative investments: average balance and rate of return

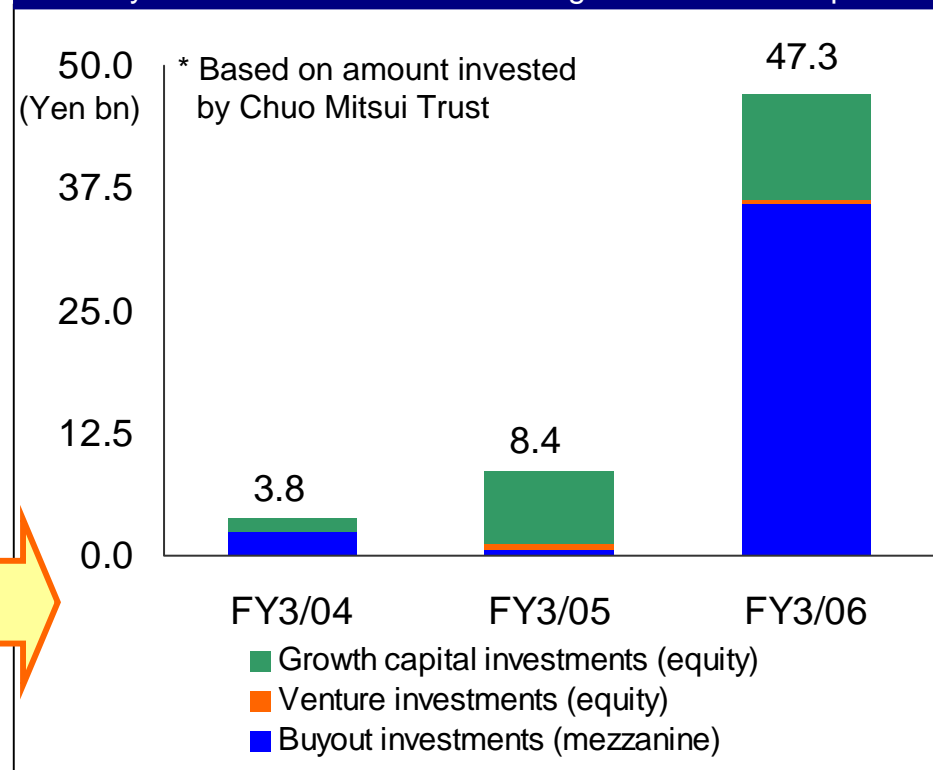
		(Yen bn)			
		Actual	Actual	Plan	Plan
		FY3/06	1H.	2H.	FY3/07
a	Avg. balance	730.0	540.0	720.0	630.0
b	Return*1	35.0	11.8	16.2	28.0
b/a	Rate of return	4.7%	4.4%	4.5%	4.4%

■ *Withdrew from holding investments in hedge fund as of FY3/06*
■ *Focusing on private equity investments*

Return on alternative investment by type



Yearly investment track record through Chuo Mitsui Capital*



II-3. New Businesses

- *New Businesses*
- *Businesss Loans*
- *Corporate Restructuring & Revitalization Finance*

New Businesses

Developing new profit growth drivers for the next phase

“Business Loans”

- Expand operations nationwide
 - Increase number of branches & employees
- Enhance alliance with “NIS Group”(Nissin) in “Chuo Mitsui Finance Service”

Corporate Restructuring & Revitalization Finance

- Respond to funding needs brought about by corporate restructuring and revitalization, and enhance M&A and alliance related advisory business

Private Banking

- Opened “Private Trust Salon” to provide wealth management products and services to high-networth individuals

Reverse Mortgage

- Engaged in the business ahead of peers in anticipation of the aging of the society
 - Expand sales by figuring out clients’ needs

Business Loans

*Increase proactive investment of management resources in Business Loans
Developing a nationwide network of business loans to service SME market*

Chuo Mitsui Trust & Banking

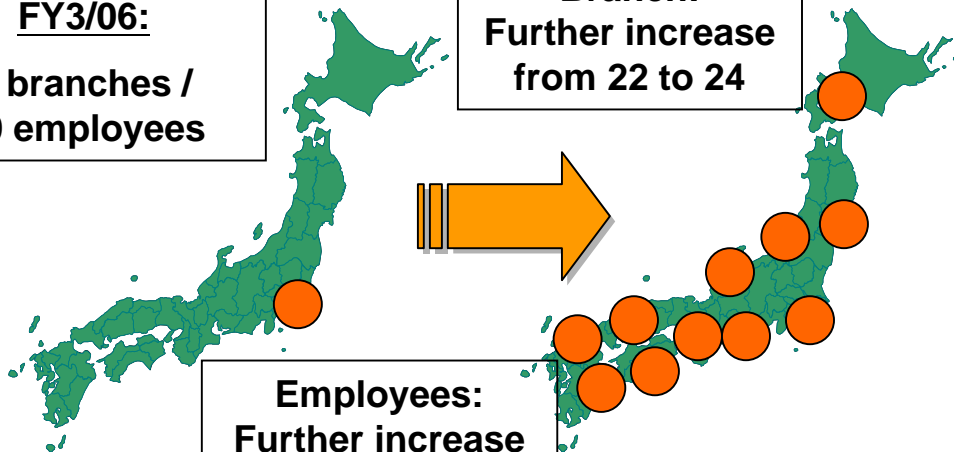
- Expanding network to meet growing market demand:
-24 branches & 260 employees nationwide
 - Increase call center personnel: From 50 to 130 employees
 - Established quick assessment function through scoring system
 - Introducing new products to meet clients' diversified needs, such as floating rate loan
- (Target companies: Annual sales of ¥50mil and above)

Chuo Mitsui Finance Service

- Enhancement of real estate related finance through alliance with NIS Group (Nissin)
 - Tie-up with Central Federation of Societies of Commerce and Industry
- (Target companies: Annual sales of less than ¥50mil)

Network as of FY3/06:

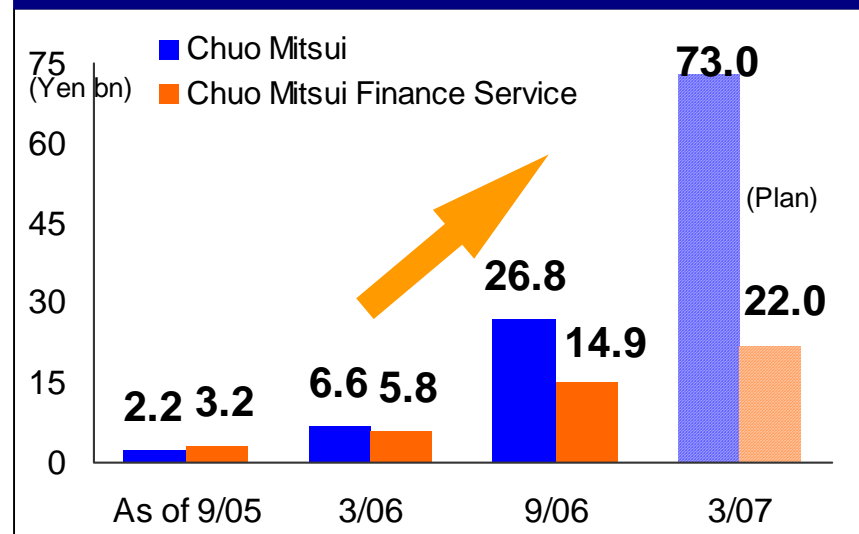
8 branches / 90 employees



Branch:
Further increase
from 22 to 24

Employees:
Further increase
from 250 to 260

Business loan related loan balance



Corporate Restructuring & Revitalization Business

Established specialized division to meet the diversified needs of corporate clients by offering corporate restructuring and revitalization, M&A, buyout related finance and services

Corporate restructuring financing

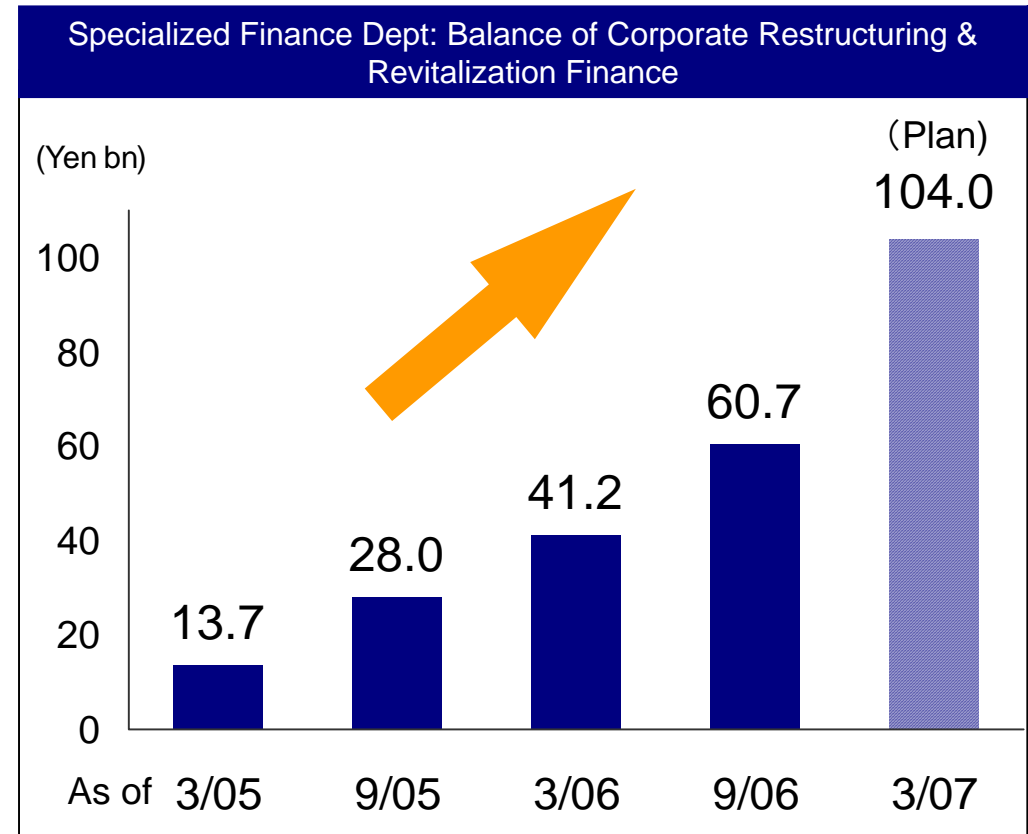
■ Positioned as leading provider of financing products to improve corporate value, such as corporation going private (management buyout)

- * Buy out finance
- * Arrangement of M&A (Sponsor search)
- * Arrangement of financing scheme
- * Advisory business

Corporate revitalization financing

■ Proactively engage in Exit finance and focus on corporate revitalization related advisory business

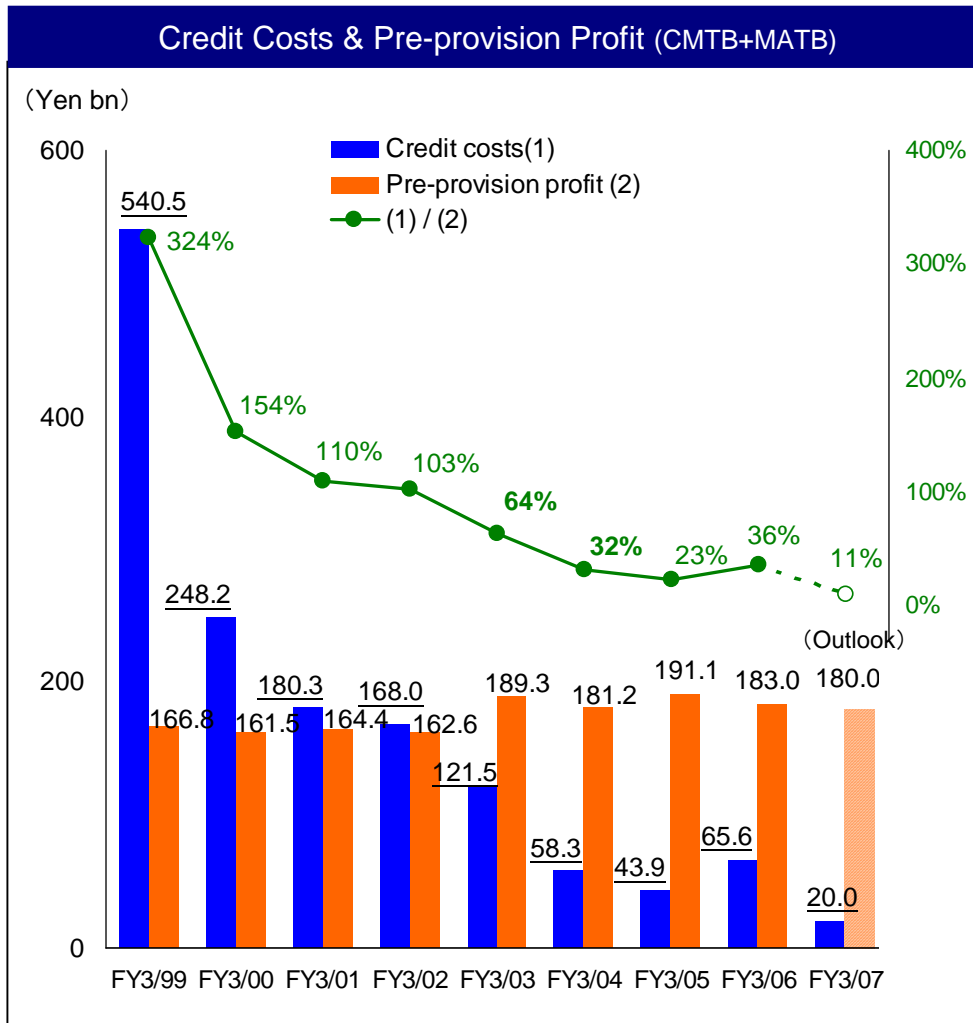
- * Exit finance
- * Arrangement of revitalization scheme (Sponsor search)
- * Arrangement of divestitures
- * Providing financing to succeeding (existing) company



III. Strengthening of Balance Sheet


- *Disposal of NPLs*
- *NPL Balance & NPL Ratio*
- *Equity Portfolio & Deferred Tax Assets*
- *Capital*

Disposal of NPLs



Breakdown of Credit Costs

CMTB	a	b	c:b-a	d	e	(Yen bn)
	1H.FY3/06	Actual 1H.FY3/07	Chg.	FY3/06	Outlook FY3/07	f:e-d Chg.
New NPL costs	25.3	10.4	(14.9)	49.3	16.8	(32.5)
Off-balance costs	5.5	(3.4)	(8.9)	2.6	(3.4)	(6.0)
Provision(reversal) of general reserve	(7.9)	6.6	14.5	13.6	6.6	(7.0)
Total	22.9	13.6	(9.3)	65.6	20.0	(45.6)

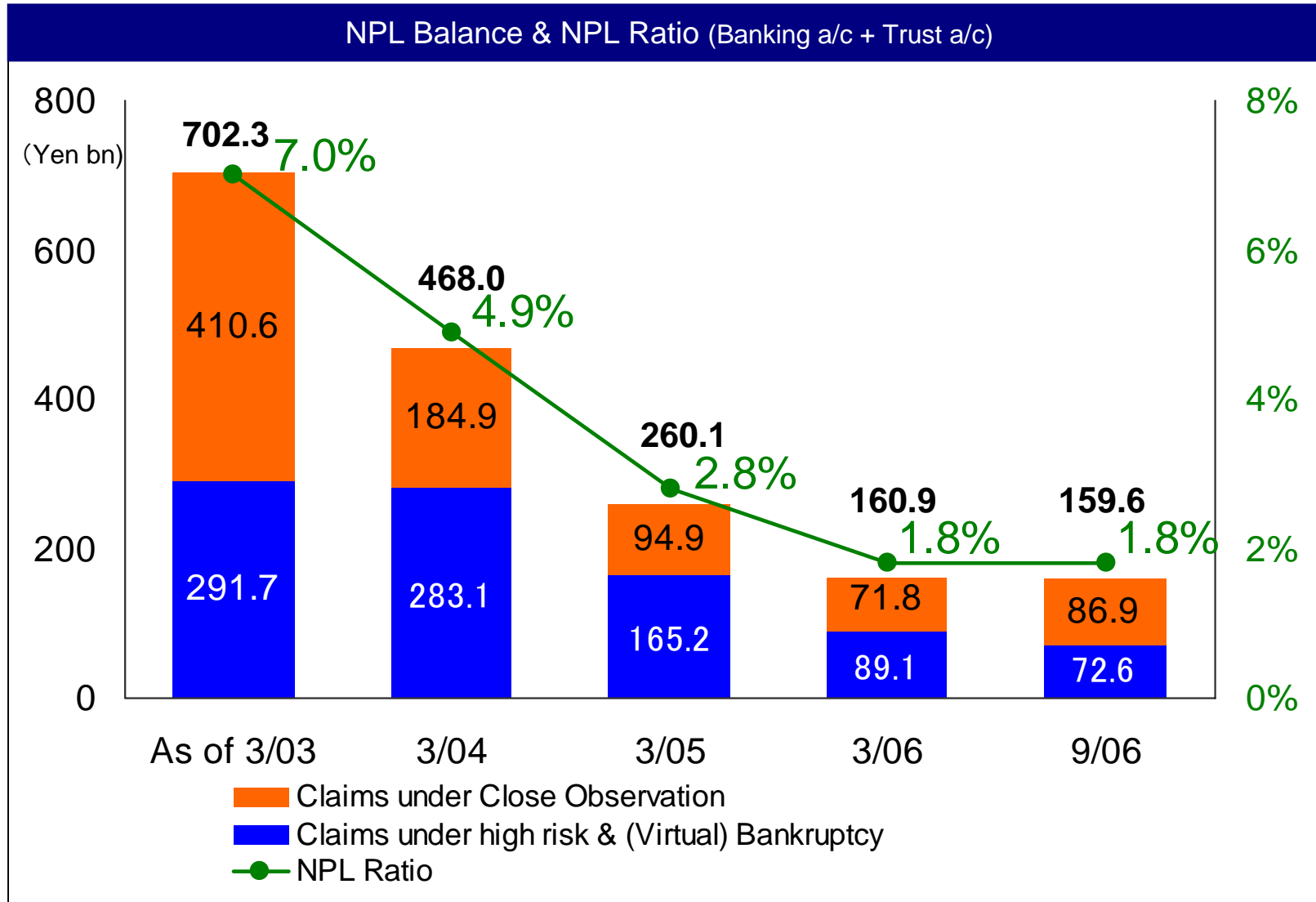

**Balance of NPLs decreased by
¥9.3bn YoY as a result of
aggressive disposal until 3/06**

Amount of Off-balance

CMTB	a	b	c:b-a	d	e	(Yen bn)
	1H.FY3/06	Actual 1H.FY3/07	Chg.	FY3/06	Outlook FY3/07	f:e-d Chg.
Off-balance	59.9	42.9	(17.0)	233.2	60.0	(173.2)

NPL Balance & NPL Ratio

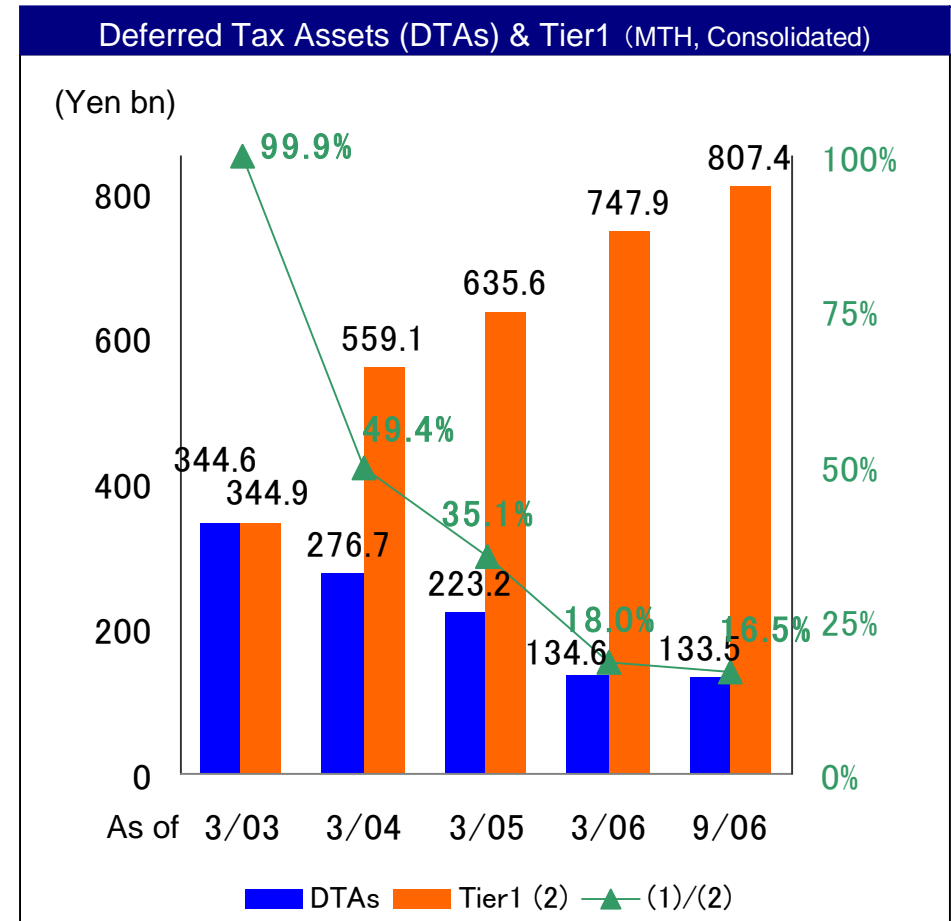
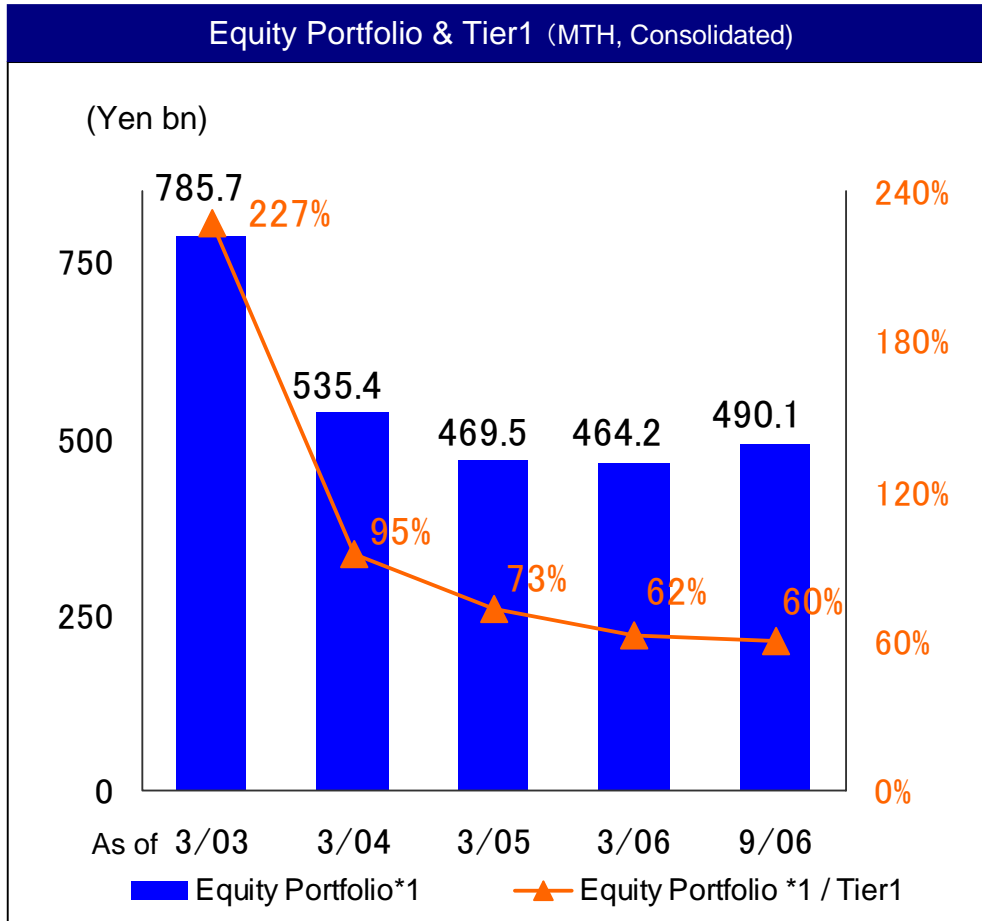
NPL Ratio: Maintain under 2% level



Equity Portfolio & Deferred Tax Assets

9/06 : 60% of Tier1 Capital

9/06 : 16.5% of Tier1 capital



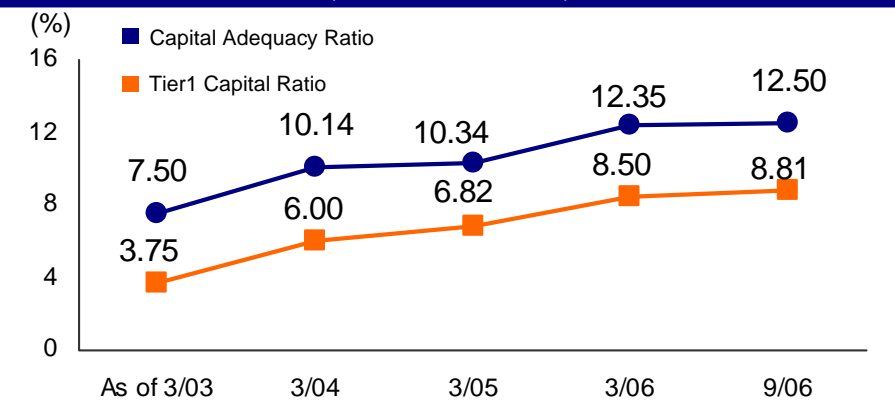
*1 Acquisition cost basis, except for 3/03 figure (book value basis, due to net unrealized losses)

Capital

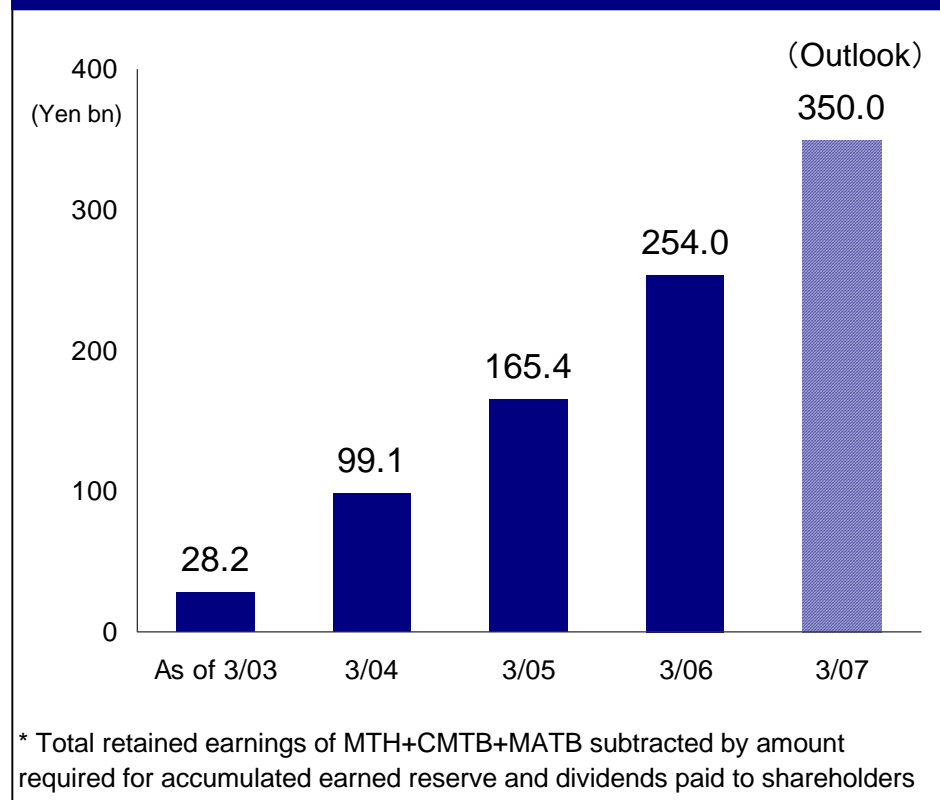
Capital Adequacy Ratio (MTH, Consolidated)

	a	b	% c:b-a
MTH, Consolidated	3/06	9/06	Change
Tier1	747.9	807.4	59.4
Tier2	341.7	341.6	(0.1)
Risk-weighted assets	8,795.6	9,164.2	368.7
Capital Adequacy Ratio	12.35%	12.50%	0.15%
Tier1 Ratio	8.50%	8.81%	0.31%

Capital Adequacy Ratio & Tier1 Capital Ratio (MTH, Consolidated)



The Group's Retained Earnings*



Preferred Shares

	Amount (Yen bn)	Type	Year/Month of Injection	Dividend Rate	Current Conversion Price	Reset Floor	Annual reset date, Up/Down ward Resets	Mandatory conversion date	Conversion Price at mandatory conversion date	Final Reset Floor (Yen)
Class I	All of Class I (¥32.0bn) was sold in the market in July 2006									
Class II	150.0	Convertible	3/1999	0.90%	450	450	August 1, Downward	8/1/2009	Market price *	400
Class III	250.25	Convertible	3/1999	1.25%	450	450	reset only	8/1/2009	Market price *	400
Total	400.25									

* 30-day average for common share prices, starting from 45 days prior to mandatory conversion



This material contains certain forward-looking statements. These statements are not guarantees of future performance, and involve risks and uncertainties. Actual results may differ from these forward-looking statements contained in the present material, due to various factors, including, but not limited, to changes in overall economic conditions.