



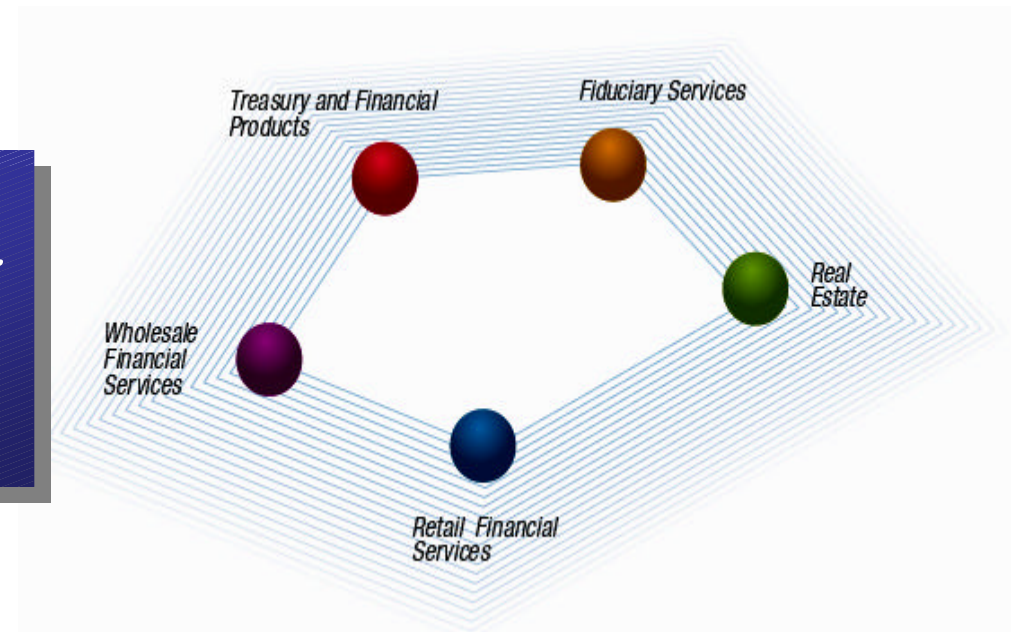
SUMITOMO TRUST 住友信託銀行

Merrill Lynch Japanese Financial Services Conference

Strategic Differentiation

**Sumitomo Trust & Banking
Co., Ltd.**

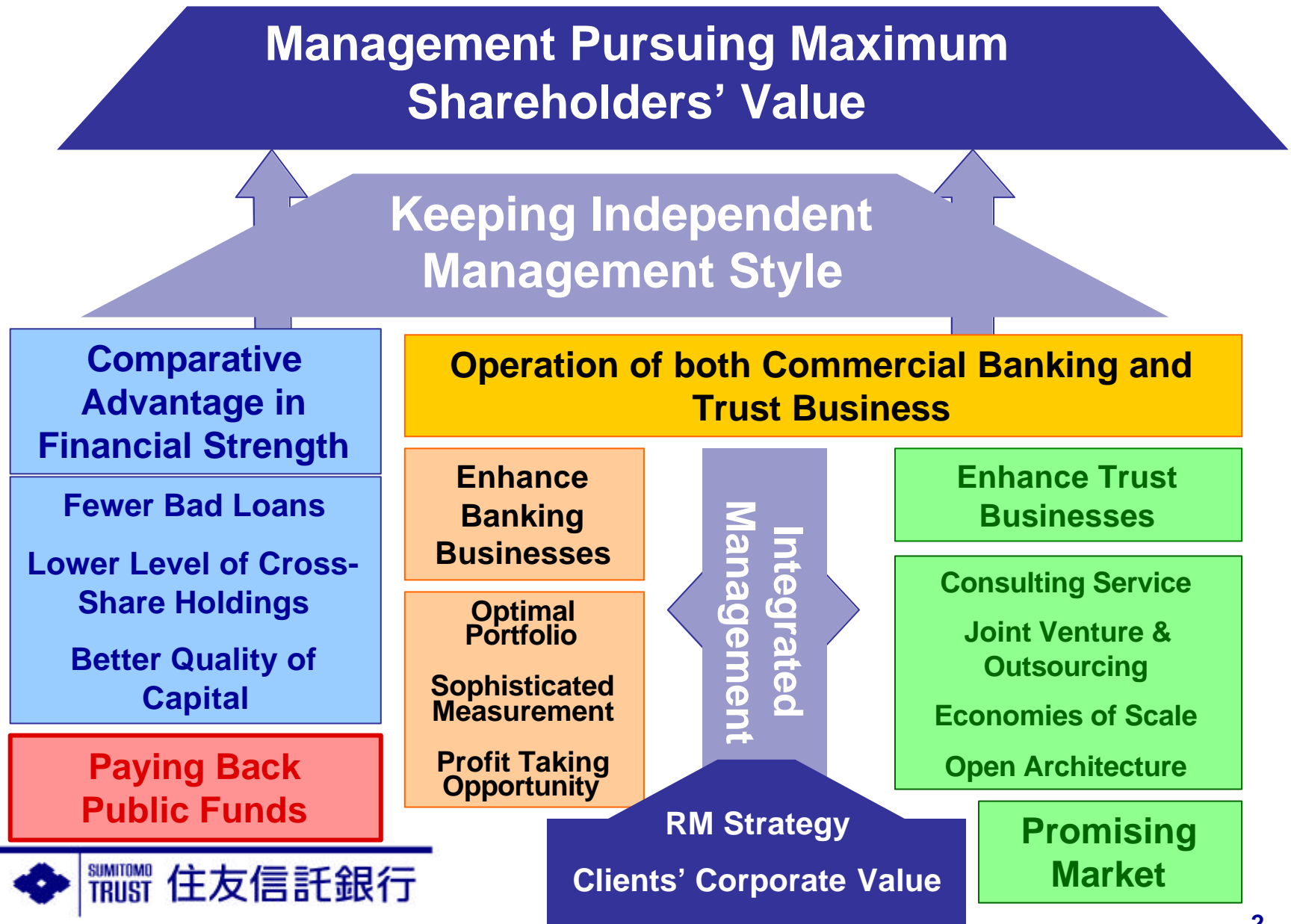
October 10, 2002



Corporate Goal

**Asset Management Financial Institution
providing sophisticated investment
management and precise operation**





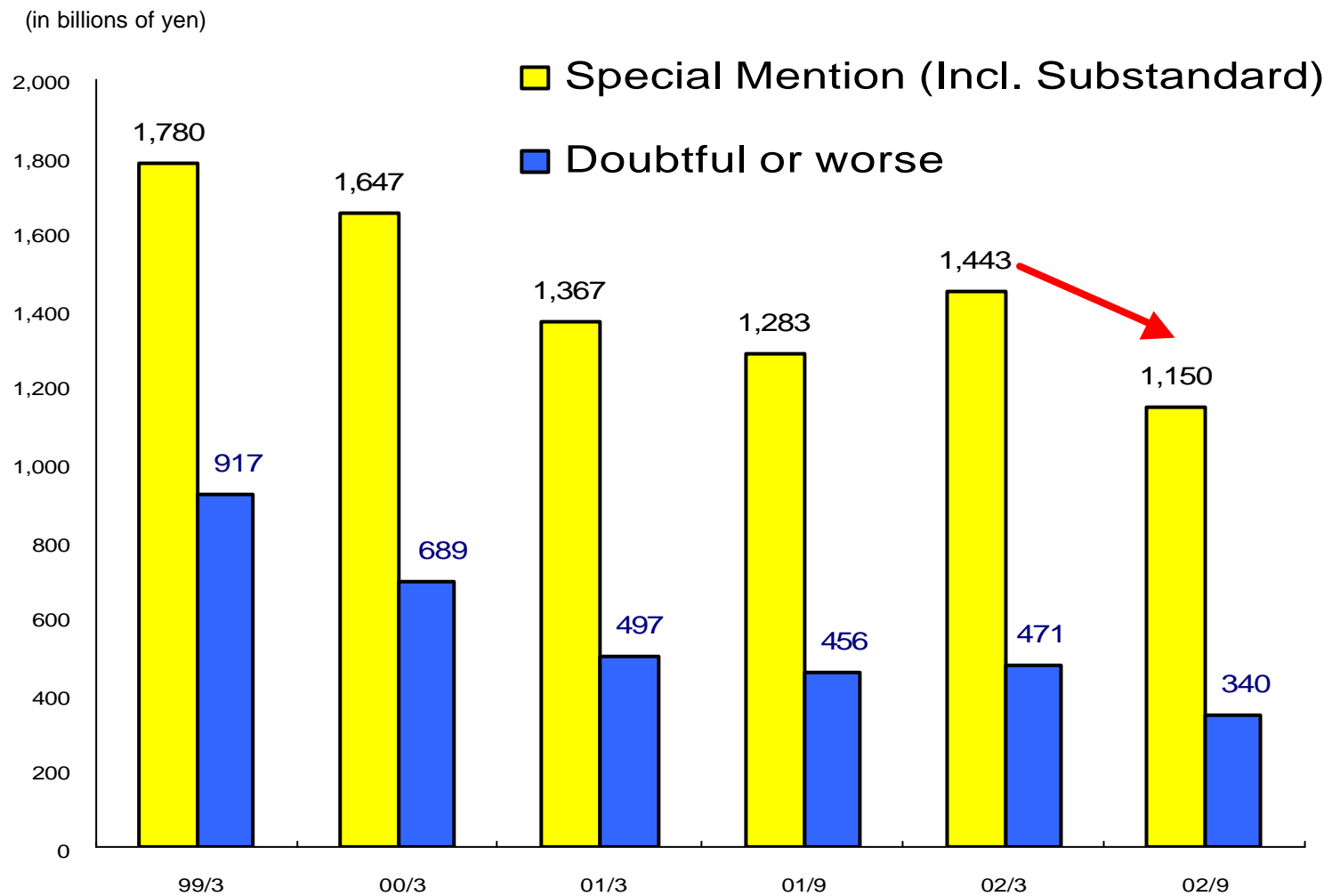
Forecast for Financial Results (1HFY2002)

Non-consolidated	Amended forecast as of Oct. 9	Previous Forecast as of Aug.	Change
(in billions of Yen)			
Net Business Profit	85.0	65.0	20.0
Credit Costs	20.0	40.0	-20.0
Net Capital Gain/Loss from Stocks	-16.0	-	-16.0
(Write-off of stocks)	-11.0	-	-11.0
Net Operating Income	38.0	20.0	18.0
Net Income	20.0	26.0	-6.0

✚ Assets under Financial Reconstruction Law

	Sep. 2002 (in billions of Yen) (Preliminary)	Mar. 2002 (Actual)	Change
Bankrupt/ Practically Bankrupt	70.0	47.2	22.8
Doubtful	270.0	424.4	-154.4
Substandard	240.0	217.5	22.5
Total	580.0	689.0	-109.0
Special Mention excl. Substandard	910.0	1,225.7	-315.7

Trend of Loans to Debtors in “Special Mention”



✦ Securities Portfolio

(in billions of yen)	Sep. 2002 (Preliminary)	Mar. 2002 (Actual)	Change
Unrealized Gains/Losses of Available-for-Sale Securities	-39.0	-93.4	54.4
(Japanese Stocks)	-118.0	-51.2	-66.8
Amount of Stocks Held (Market Value)	722.0	943.8	-221.8

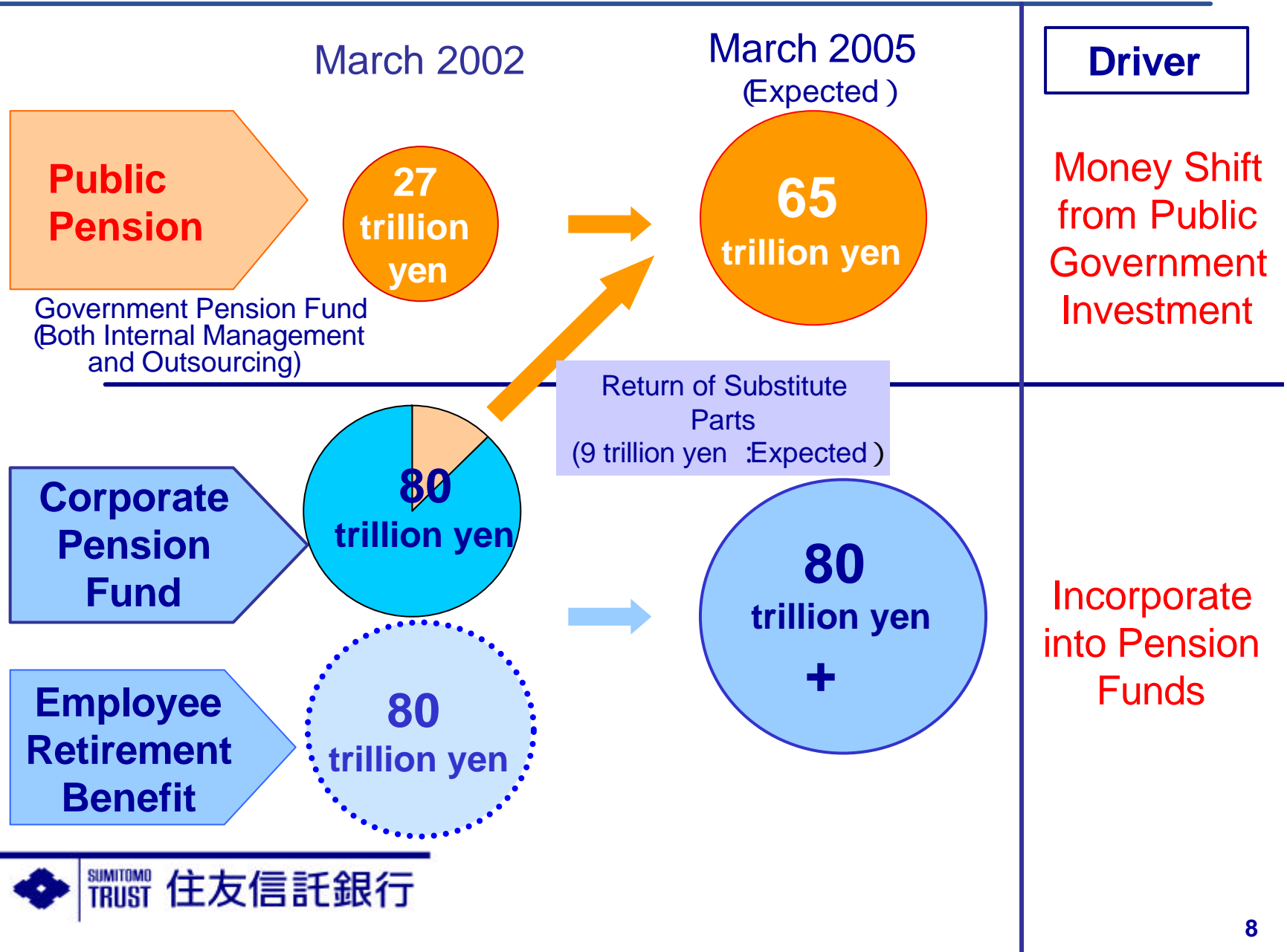
<Unwinding Cross-Shareholding>

Plan for FY2002	200 billion yen
Plan for 1HFY2002	100 billion yen
Actual for 1HFY2002	Approximately 150 billion (Incl. Sold to ETF)

Shareholders' Equity

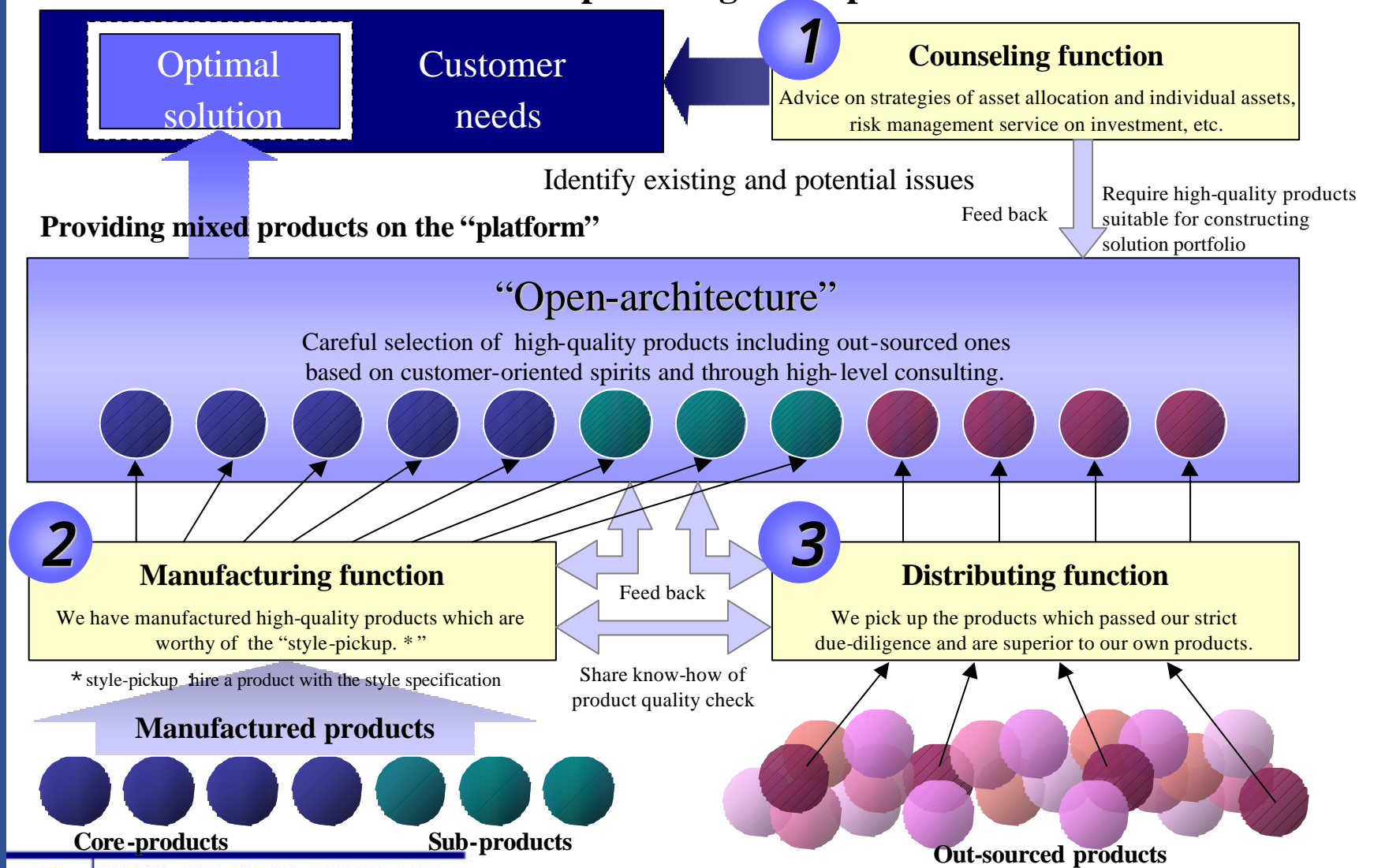
(in billions of Yen)	Sep. 2002 as of Oct. 9 (Preliminary)	Mar. 2002 (Actual)
BIS Capital Adequacy Ratio	Mid 11%	10.86%
Tier I Ratio	Mid 6%	6.16%
Total Capital	13,700.0	1,293.6
Tier I	770.0	734.1
Net Unrealized Losses on Available-for-sale securities, Net of Tax	-24.0	-57.1
Total Risk Assets	12,000.0	11,908.0
Retained Earnings	156.0	145.5

Expanding Pension Market



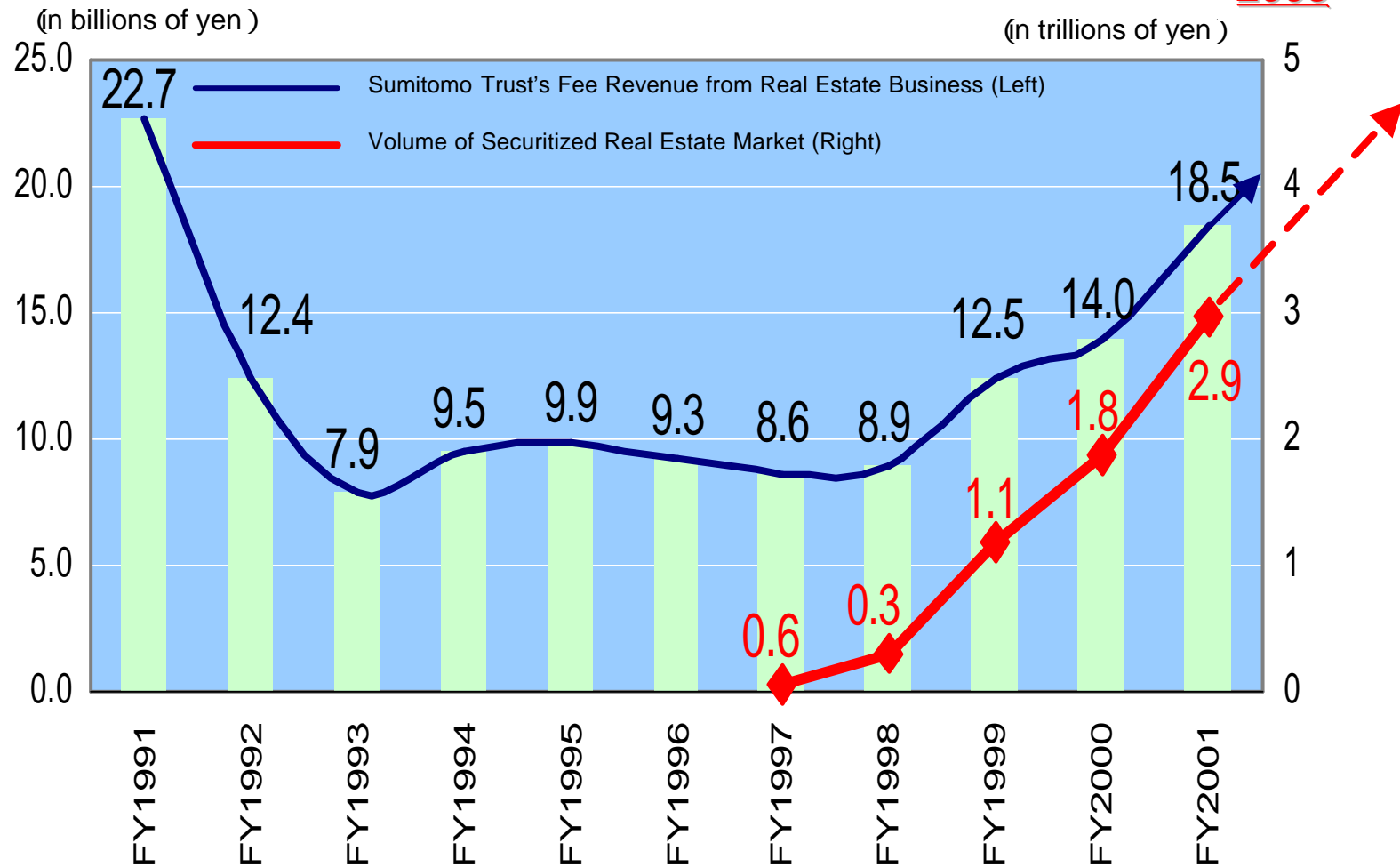
Multi Plans and Multi Products

“3 functions for providing multi-products”



Expanding Securitized Real Estate Market

Expected to be 10 trillion yen market in 2008



Economies of Scale

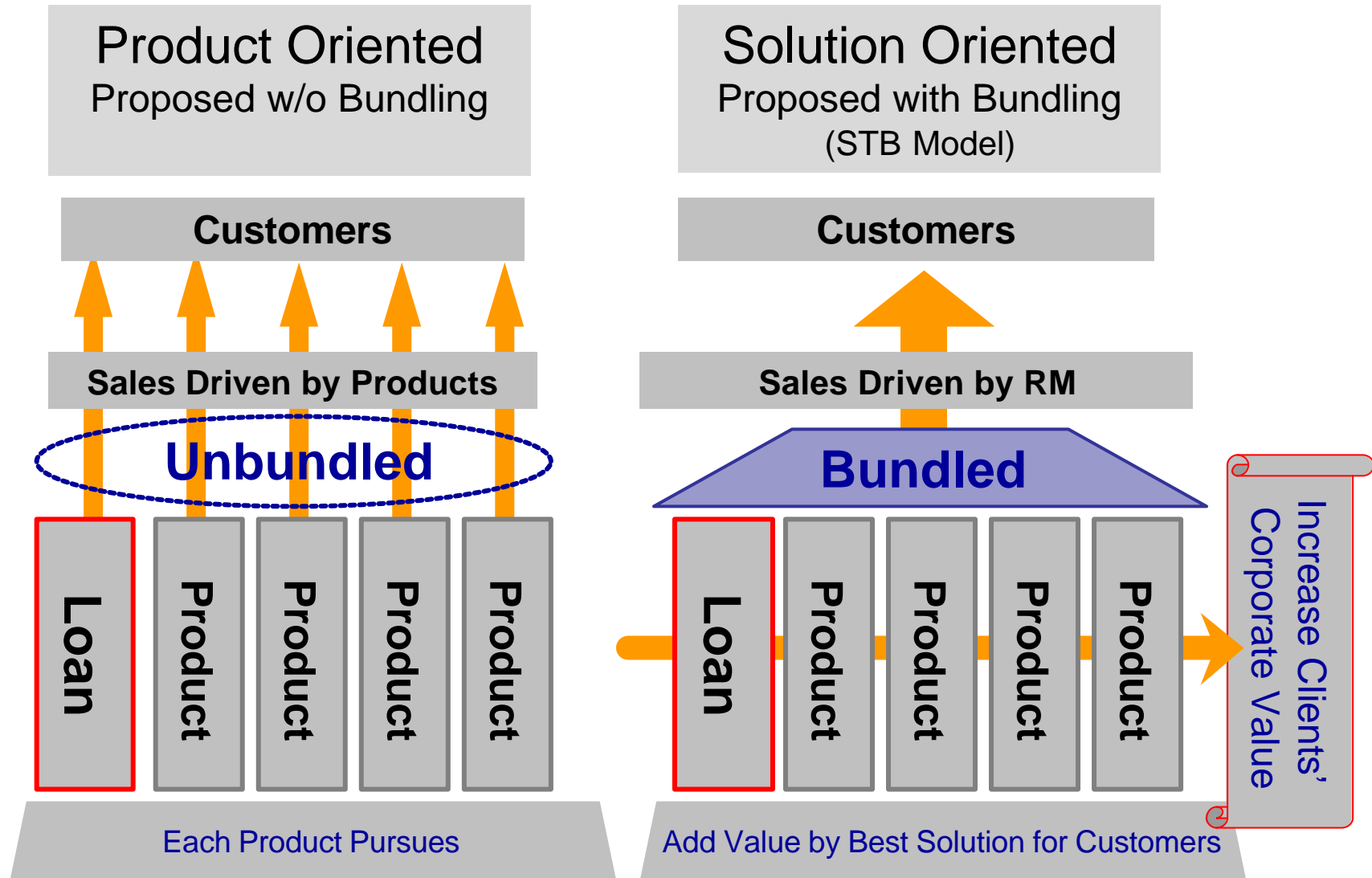
▶ Securities Processing

- Japan Trustee Services Bank, Ltd. (JTSB)
- Sumitomo Trust, Daiwa Trust and Mitsui Asset Trust
- Assets under Custody 110 trillion yen

▶ Transfer Agency

- Japan TA Solution, Ltd. (JTAS)
- Sumitomo Trust and Japan Securities Agents
- Client Companies: 1,062
/ Number of Shareholders Account: 6.87 million

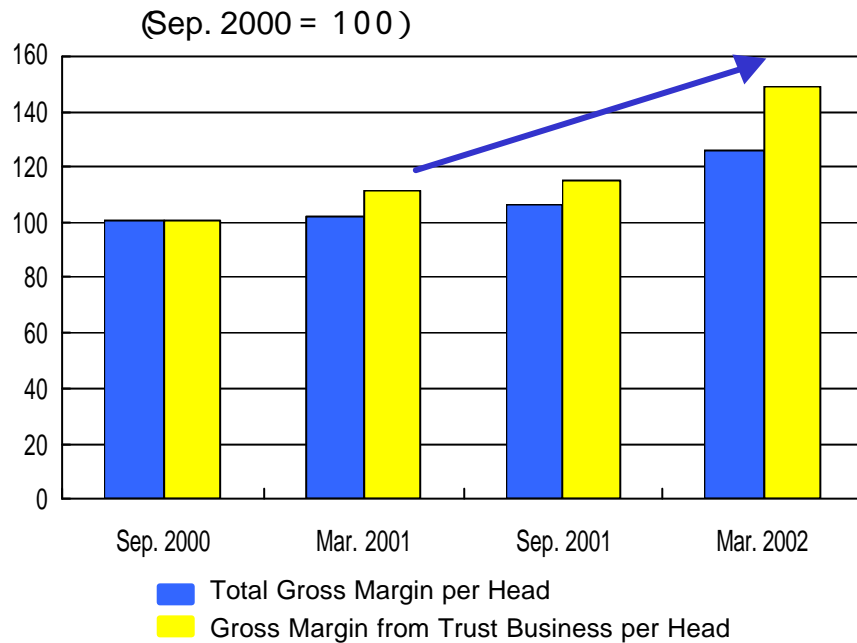
Strategy for Integrated RM (Relationship Management)



Tactics for Integrated RM

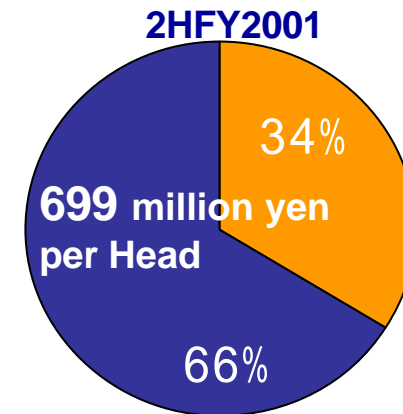
- ▶ Information sharing among RM and Products Departments
 - Customers' Information available on LAN
- ▶ Tools for better consultation and solution
 - Annual Meeting with Customers
 - Simulation Soft (Corporate Finance Advisor)
- ▶ Performance Objective
 - High allocation of RM's Performance Objective on Trust Business

Profitability of Integrated RM



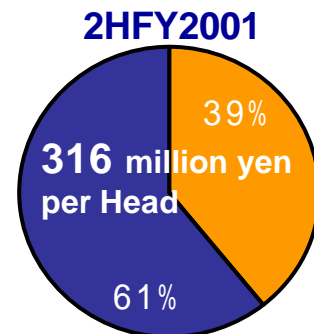
Per Head Gross Margin and Gross Margin Source

Tokyo Corporate Business Department III

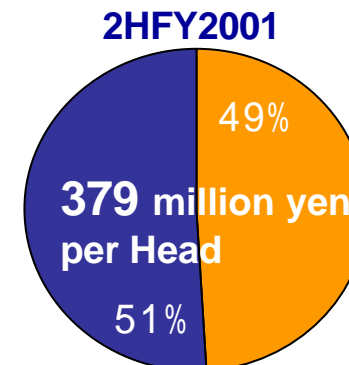


■ Trust Business
 ■ Banking Business

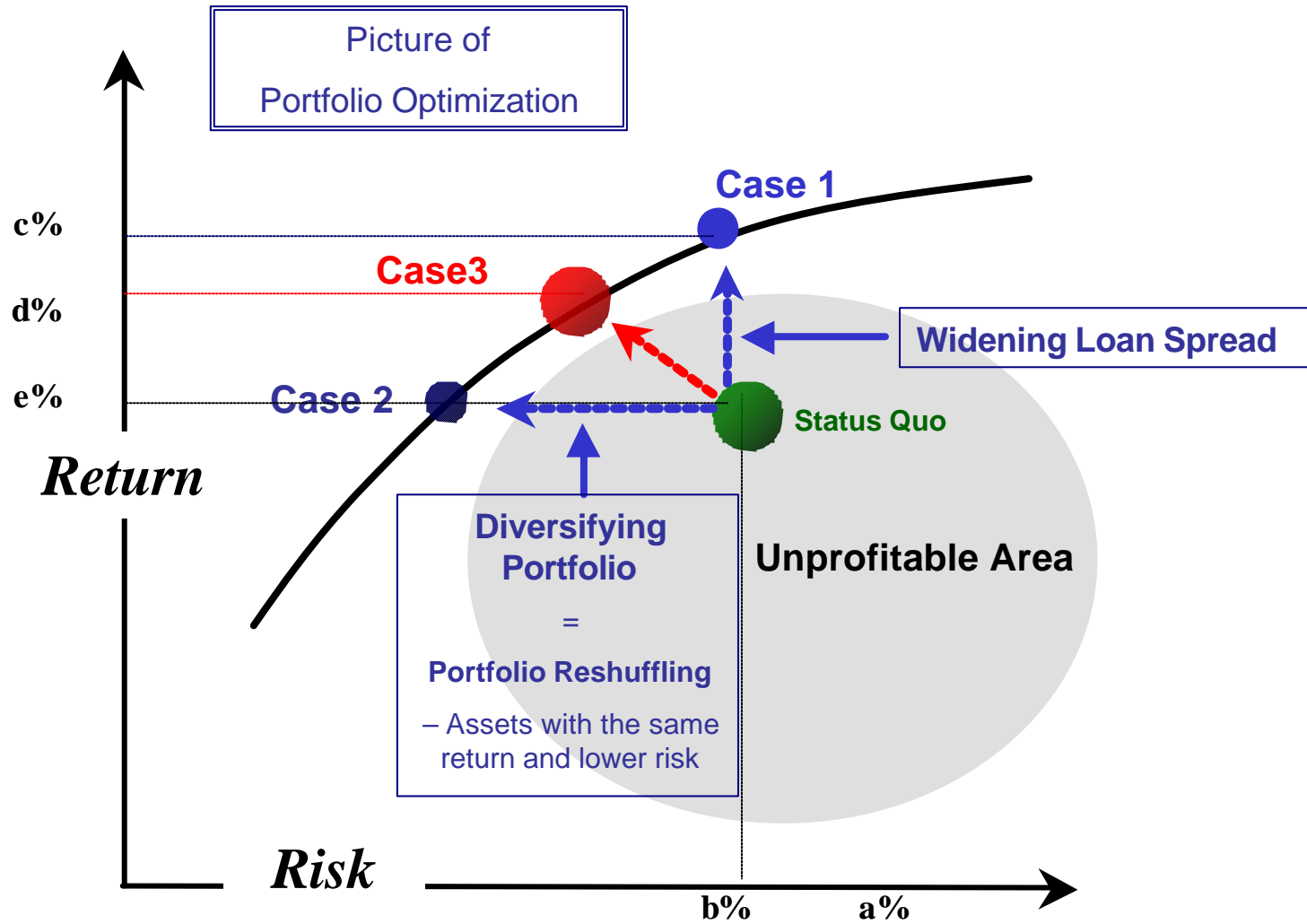
All Business Department and Branches



Tokyo Corporate Business Department V



Optimizing Loan Portfolio



This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in managerial circumstances.