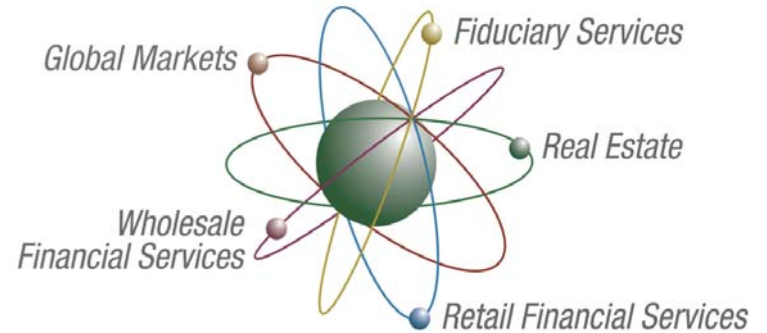




SUMITOMO
TRUST

住友信託銀行

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



Merrill Lynch Japan Conference 2007
September 12, 2007

- ▶ Overview and Management policy
- ▶ Retail financial services business model
- ▶ Business environment
- ▶ Financial target
- ▶ Appendix

Overview and Management policy

Overview of Sumitomo Trust's business

	Banking business	Trust business			Real estate business
	Treasury & Investment 39.4 billion yen*	Stock transfer agency 9.1 billion yen*	Pension & Asset management 21.3 billion yen*	Securities processing 11.7 billion yen*	27.0 billion yen*
Wholesale clients	<ul style="list-style-type: none"> - Commercial banking - Investment banking (Market-based loan) <p>Corporate accounts 5 thousands</p> <p>87.1 billion yen*</p>	<ul style="list-style-type: none"> - Transfer agency services <p>Number of companies (JTAS) 1.5 thousands</p>	<ul style="list-style-type: none"> - Asset management for corporation and institution - Pension plan administration <p>Assets under management 25.2 trillion yen</p>	<ul style="list-style-type: none"> - Custody - Global custody <p>Assets under custody (JTSB) 168 trillion yen</p> <p>Assets under custody (STB(USA)) 19.7 trillion yen</p>	<ul style="list-style-type: none"> - Commercial properties brokerage - Securitization - J-REIT - Investment advisory
Retail clients	<ul style="list-style-type: none"> - Deposit - Mutual fund, Individual annuity - Mortgage loan - Private banking <p>Number of retail clients 2 millions</p> <p>29.6 billion yen*</p>	<p>Shareholders under administration (JTAS) 9 million</p>	<ul style="list-style-type: none"> - Mutual fund (Asset management) <p>Assets under management (STAM) 1.4 trillion yen</p>	<ul style="list-style-type: none"> - Mutual fund (Custody) <p>Assets under custody (STB) 18.3 trillion yen</p>	<ul style="list-style-type: none"> - Residential properties brokerage

STB: Sumitomo Trust & Banking
JTAS: Japan TA Solution

STAM: STB Asset Management
JTBS: Japan Trustee Services Bank

As of March 2007

Management policy

Management principle: To accomplish sustainable growth leveraging its feature as a combination of banking, trust and real estate business

Management prospect

The “Top quality trust bank group” engaged in customer orientation

Top quality

- (1) **Financials:** Higher quality of profit, asset and capital
- (2) **Customer franchise:** Higher Customer satisfaction (CS), Deeper customer relations
- (3) **Product & service:** Enhanced development capacity and consulting capability in a first-class manner
- (4) **Human resource:** A group of industry leading professionals
- (5) Sophisticated compliance, customer protection and risk management framework

Key measures for FY2007

- ▶ Enhancement of CS improvements
- ▶ Expansion of revenue source and enhancement of information development capability
- ▶ Strengthening of management / business infrastructure
- ▶ Promotion of professionalism as well as team-work skills

With each and everyone of individual customers,
“a house bank for asset management &
administration”

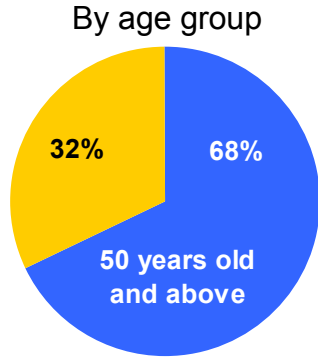
“A strategic partner”,
providing corporate and institutional investors with multi-
layer values

Retail financial services business model

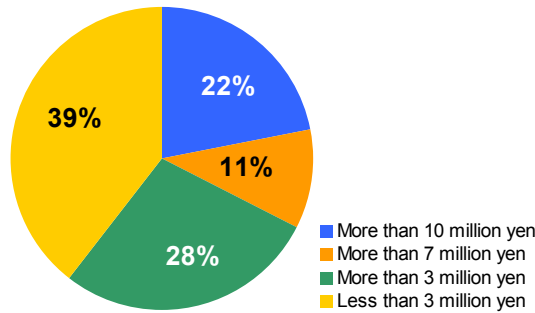
Retail customer franchise of Sumitomo Trust

- ▶ Senior, affluent customer franchise
- ▶ Steady expansion of customer segment of more than 7 million yen of depositary assets: 18% increase during past three years
- ▶ Ratio of mutual fund holders to total deposit customers has been increasing steadily

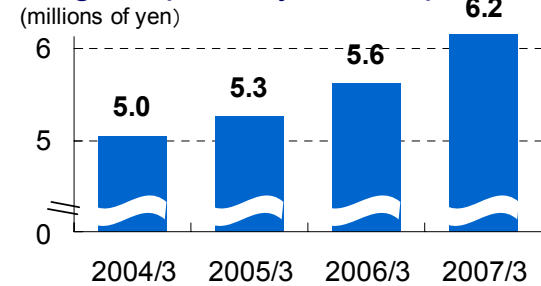
<Composition of number of customers* as of March 31, 2007>



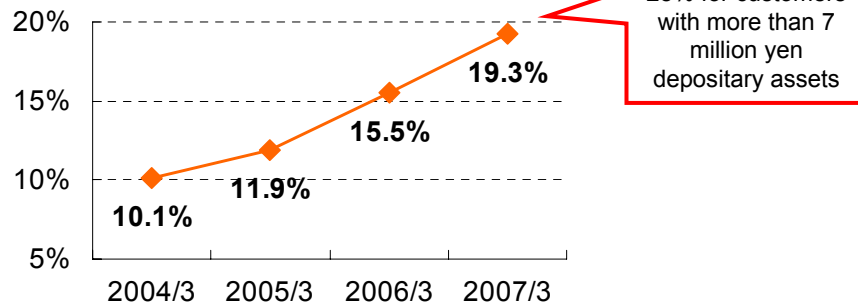
By outstanding balance of depositary assets



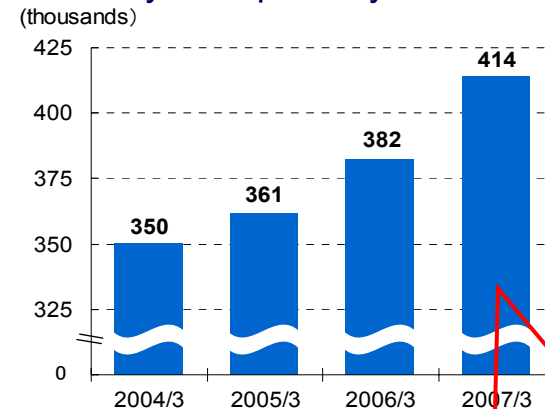
<Average depositary assets per customer>



<Ratio of mutual fund holders to total deposit customers>



<Number of customers with more than 7 million yen depositary assets>

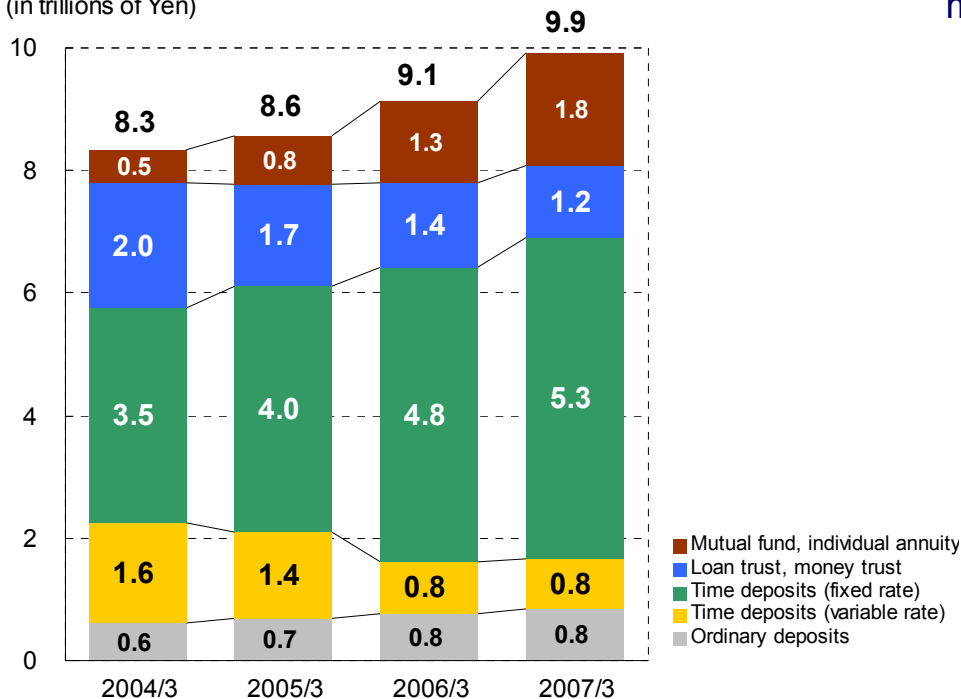


Products and services I. Deposits

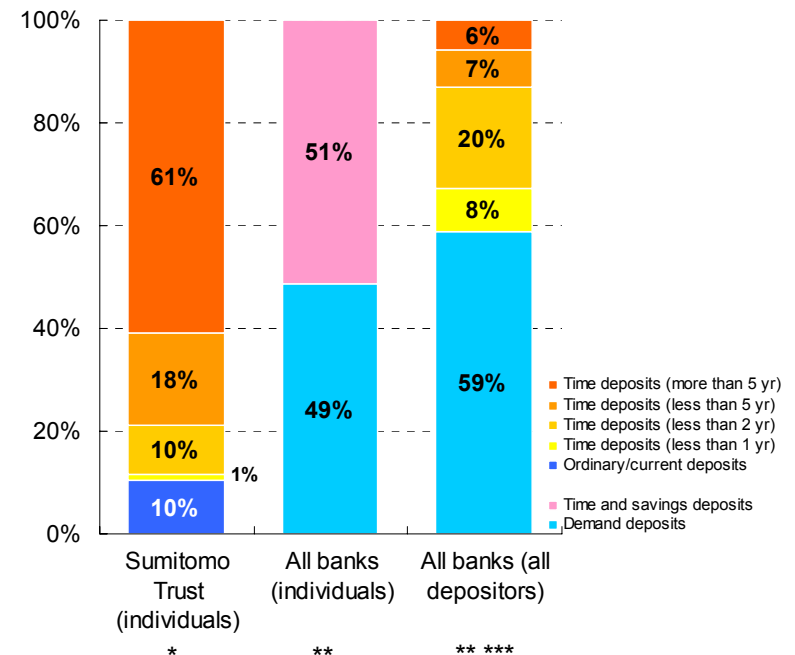
- ▶ Heavily weighted on 5 year Time Deposits → Ratio of “5 year Time Deposits” to “Total Deposits”: 61%
- ▶ Longer duration of time deposits represent broad potential needs for diversified investments including mutual funds and other financial products

<Volume of total depositary assets from individuals>

(in trillions of Yen)



<Composition of deposits balance by initial maturity as of March 2007>



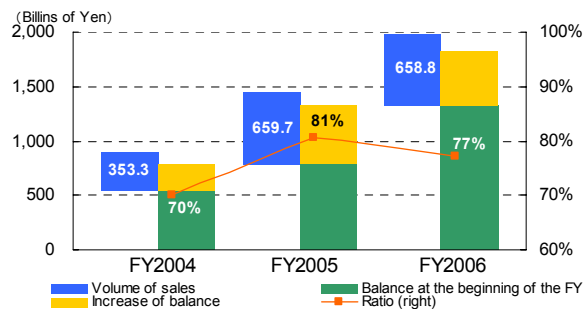
*: Time deposits include loan trust and money trust, etc.
 **: Source: Bank of Japan “Amounts Outstanding of Deposits by Depositor/ Resident Deposits”
 ***: Source: Bank of Japan “Time Deposits New Receipts and Outstanding” excluding Time Deposit without Designated Maturity at the time of deposit

Products and services II. Mutual funds

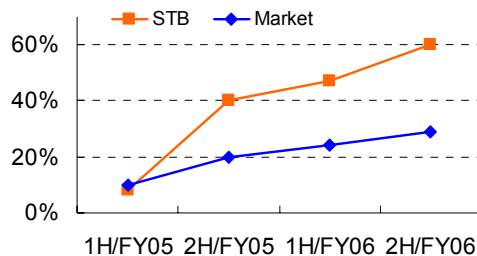
- ▶ Efficient consulting services based on mid- to long-term investment horizon, which focus on each customer's individual investment profile → High "Remaining ratio" (approximately 80%) of mutual fund sold
- ▶ A wide variety of products and services based on open-architecture product policy and diversified investment strategy
- ▶ High level of asset management capability with proven track record, backed by competitive fiduciary business

<Remaining ratio* of mutual fund>

*: Remaining ratio = Increase of balance / Volume of sales



<Ratio of balanced-type* funds to the total sales volume (STB and market)>



*: Source: ABIC Co., Ltd.
Based on its definition of "Composite" category
**: STB Asset Management Co., Ltd.

<Top five funds by sales volume: period 2007/4-7>

Rank	Type of investment	Name of funds	Manager
1	Balanced	Sumishin Prererty Quadruple	STAM**
2	Foreign stocks	Sumishin World Attractive Divident Stock	STAM
3	Balanced	Sumishin Five Income	STAM
4	Foreign bonds	JPM Emerging Countries Sovereign	JPM
5	Foreign bonds	Sumishin World High Income	STAM
6	Foreign stocks	Pictet Premium Fund	Pictet

<Fund lineup>

Manager	Balanced	Foreign bonds	JPN stocks	Foreign stocks	REIT	Foreign mutual funds	MMF	Total
STAM	8	3	10	5	1	0	0	27
(Outsourced)	0	9	3	7	2	2	2	25
Total	8	12	13	12	3	2	2	52

<The Award-winning of the funds managed by STAM**>

Lipper

- Fund Awards Japan 2006
Mixed Assets Category /The Best management company
- Fund Awards Japan 2007
General Category /The Best management company
Class of Funds: Bond Europe, Evaluation Period: 3 years
/The Best fund "Sumishin European Government Bonds Fund"

Morningstar

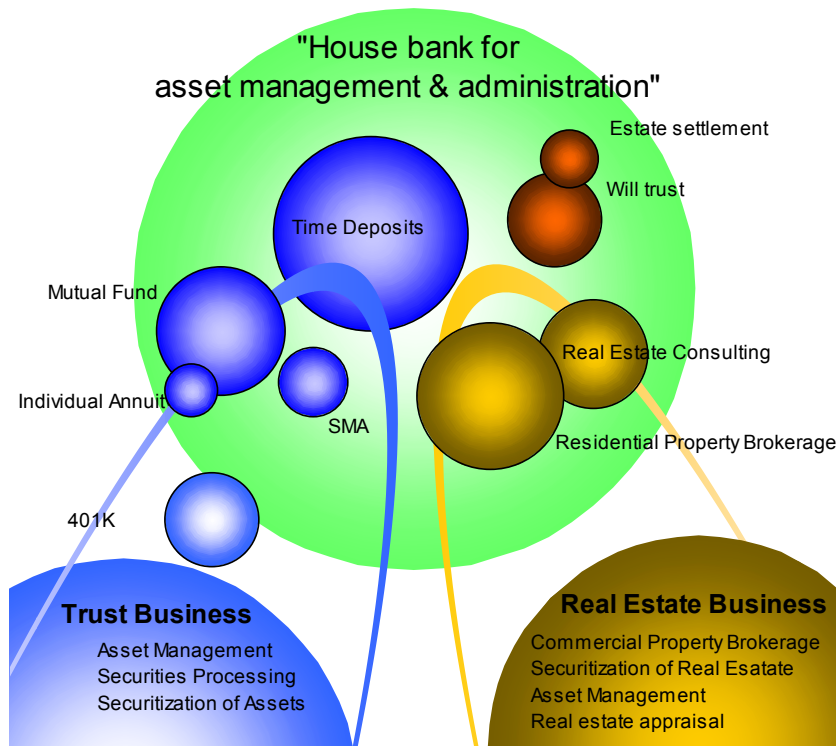
- Fund of the Year 2005 and 2006 (Two years in a row)
Outstanding performance award "Sumishin SRI Japan Open Fund"



Products and services III. Comprehensive strength

- ▶ Services unique to Trust bank → Real estate brokerage and consulting, will trust and estate settlement services
- ▶ Excellent products and consulting capabilities: developed through trust and real estate businesses aimed for institutional customers → Highly evaluated by individual customers

Retail financial services of Sumitomo Trust

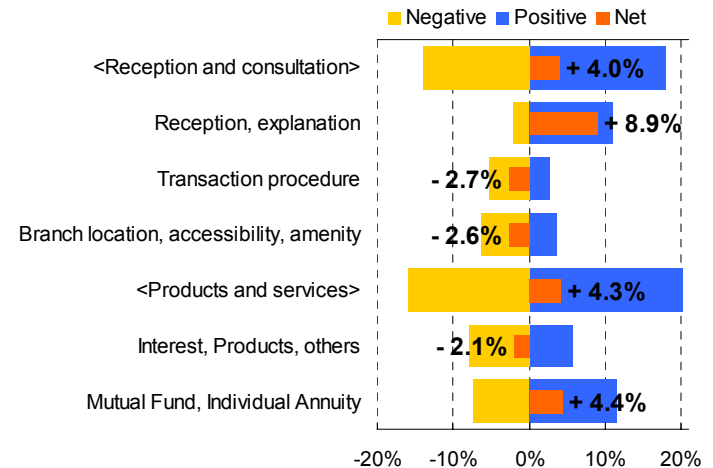


< Survey of Retail Banking Capability >

Ranking in All Banks (121) (9 Major Banks)	Third Survey July 2007
Comprehensive ranking	6th (2nd)
Product competitiveness	1st (1st)
Front office customer service	2nd (1st)
Consultation and explanation	15th (2nd)
Product lineup	8th (3rd)

Source: Nihon Keizai Shinbun

<Feedback from STB's retail customers >



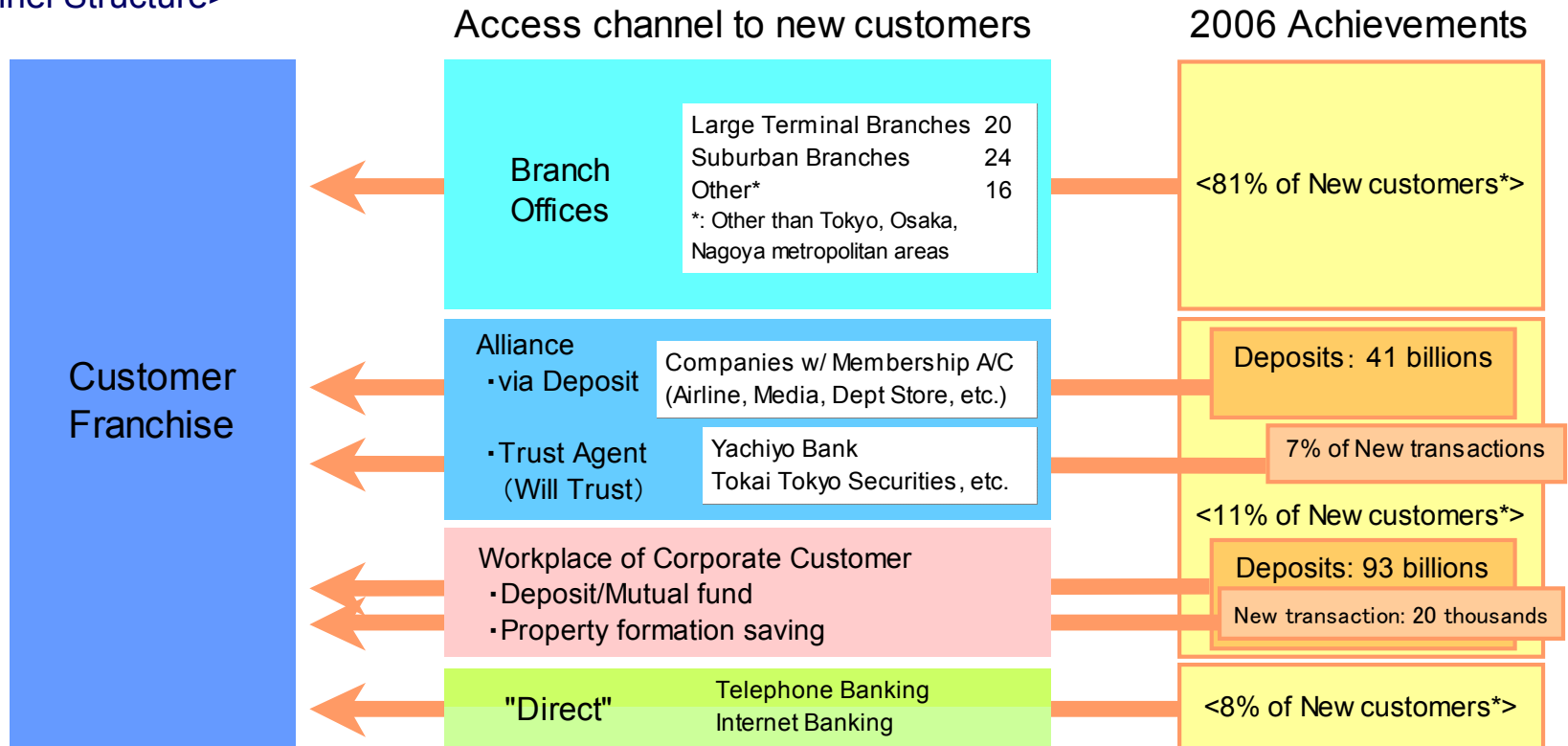
*: 9 major banks: Mizuho Bank, Mizuho Corporate Bank, Mizuho Trust & Banking, Bank of Tokyo-Mitsubishi UFJ, Mitsubishi UFJ Trust & Banking, Sumitomo Mitsui Banking Corporation, Risona Bank, The Chuo Mitsui Trust & Banking Co., Ltd., The Sumitomo Trust & Banking Co., Ltd.

** : Approximately 80 thousand feedbacks received from retail customers from January to June 2007 were categorized and, for each category, ratio to total was calculated. Sub-total numbers do not include general & administrative items.

Channels to retail customers

- ▶ Efficient marketing channels: Branch network + Alliance/Corporate customer + “Direct” (Telephone/Internet)
- ▶ Notable growth in deposits/mutual fund: Alliance through deposits, Employee of corporate customer → Increase of depositary assets in 2006: 130 billions of yen (total of alliance and corporate employee: 17% of increase in total depositary assets)

<Channel Structure>



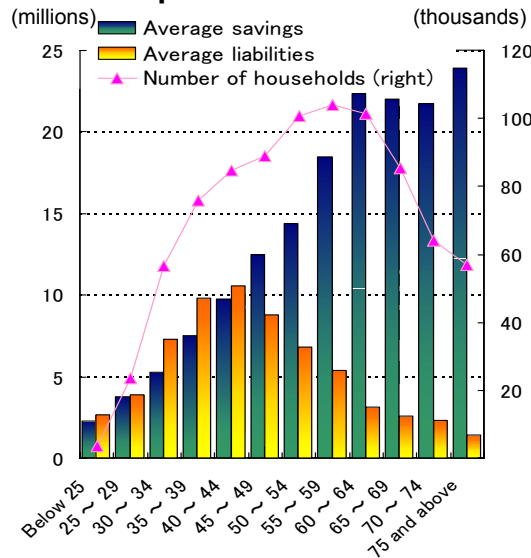
Business environment



Three fundamental changes supporting the growth of trust bank

Aging society and needs for investment

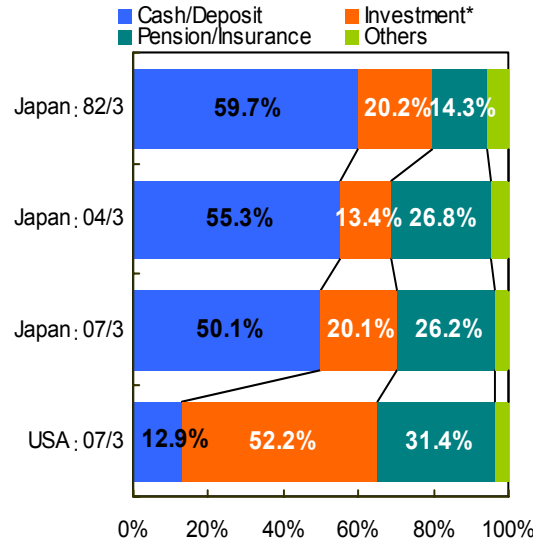
Average savings and liabilities per household



Source: MIAC Statistic Bureau
*: Households with 2 or more people

Household trend from saving to investment

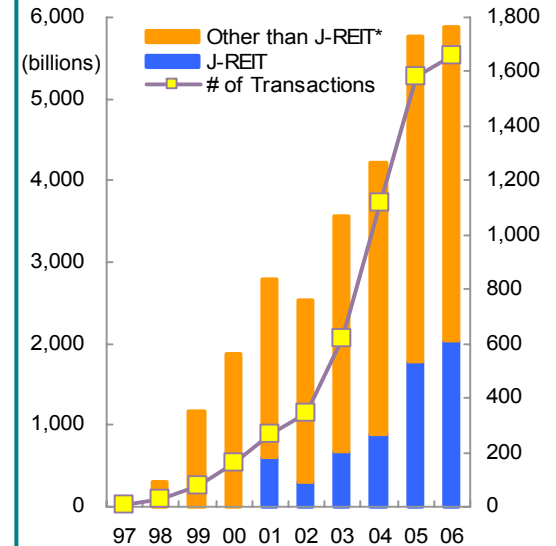
Financial assets of households



Source: Bank of Japan
*: Total of bonds, mutual fund, and stocks

Expansion of real estate securitization market

Volume of real estate securitization market



Source: MLIT Japan
*: Exclude refinance and resale

Weighing significance of Trust bank's businesses

Financial target

Midterm management targets

Financial and capital management: Balancing “capital efficiency” and “prudent capital adequacy”

Sustainable ROE on Stockholder’s Equity at 12%

- ▶ To constantly achieve 12% ROE on “Stockholders’ Equity”, which collectively excludes the effect of short-term disrupts (volatility) i.e. revaluation reserves
=> Almost equals to the bank’s historical 10% ROE target on “Total Equity”
* Actual: 11.9% (FY2005), 11.3% (FY2006)
- ▶ Target revenue ratios (mid-term): Fee ratio (consolidated) 50%, OHR (non-consolidated) 40-plus % range

Target Tier I ratio at 7 to 8 % (FY2009)

- ▶ Target ratio considering post BASEL II implementation risk management (Historically targeted at constant minimum 6% Tier I ratio)
=> The immediate effect of BASEL II implementation to the bank’s capital management is marginal
- ▶ Focus on the “quality” of Tier I capital

**Bolster profit sharing with shareholders based on the increasing dividends
(Dividend payout ratio of 30% in FY2008)**

Appendix



FY2006 financial results (April 2006 – March 2007)

- ▶ <Non-consolidated> Net business profit ^(*1): Retail and Fiduciary business surpassed the target, contributed to achieve 175.9 billion yen or 7% increase from FY2005
- ▶ <Non-consolidated> Net income decreased by 7% due mainly to increase in credit costs while <Consolidated> Net income increased by 4% as a result of increased contributions from consolidated subsidiaries and affiliates
- ▶ ROE stayed at 8.8%; Dividend payment of 17 yen per share, an increase of 5 yen from FY2005 or as originally planned, representing dividend payout ratio of 27.4%

<Consolidated> (in billions of Yen)	FY2006	FY2005	Change	% change
Net business profit before credit costs	215.4	196.2	19.2	9%
Net operating income	170.1	171.9	-1.7	-1%
Net income	103.8	100.0	3.7	4%
Consolidated return (Net income) on equity (%)	8.8%	9.9%	-1.1%	-11%
Consolidated EPS (fully diluted) (Yen)	62.04	59.87	2.17	4%

<Non-consolidated> (in billions of Yen)	FY2006	FY2005	Change	% change
Net business profit before credit costs	175.9	164.6	11.2	7%
Net interest income ^(*2)	162.0	162.5	-0.4	-0%
Net fees & commissions ^(*3)	115.9	111.4	4.5	4%
Other profits	19.7	12.3	7.4	60%
General and administrative expenses	121.8	121.6	0.2	0%
Net operating income	134.5	148.2	-13.7	-9%
Net income	81.8	88.4	-6.6	-7%
Total credit costs	40.5	9.7	30.7	314%
Dividend per share (Yen)	17	12	5	42%
Consolidated dividend payout ratio	27.4%	20.0%	7.4%	37%

(*1) Denotes "Net business profit before credit costs" in this presentation

(*2) Includes net trust fees of principal guaranteed trust a/c but exclude principal guaranteed trust a/c credit costs

(*3) Include net trust fees other than net trust fees of principal guaranteed trust a/c

Breakdown of profit by business group

- ▶ Retail and Fiduciary: <Non-consolidated> Gross business profit ^{(*)1} recorded 15% and 17% increase, respectively, contributed by the growth in both total depositary and entrusted assets
- ▶ Wholesale: <Non-consolidated> Profit decreased caused by the tightening credit spreads, while the <Consolidated> figure increased due to the enhanced profit contributions by consolidated subsidiaries and affiliates
- ▶ Real estate: Normalized after rapid increase in FY2005; decrease in the number of large size brokerage deals

(in billions of Yen)	<Non-consolidated>						<Consolidated>		
	Gross business profit before credit costs			Net business profit before credit costs			Net business profit before credit costs		
	FY2006	FY2005	Change	FY2006	FY2005	Change	FY2006	FY2005	Change
Retail financial services	84.2	73.4	10.8	27.3	17.1	10.1	29.6	19.9	9.7
Wholesale financial services	105.3	106.0	-0.7	69.4	72.1	-2.6	96.2	93.1	3.1
Stock transfer agency services	19.5	18.4	1.0	4.5	4.1	0.3	9.1	8.2	0.9
Treasury and financial products	48.7	48.6	0.1	39.4	39.4	-0.0	39.4	39.4	-0.0
Fiduciary services	55.9	47.9	7.9	28.5	20.6	7.8	33.1	24.0	9.0
Pension asset management	41.5	37.5	3.9	19.9	16.0	3.9	21.3	16.7	4.5
Securities processing services	14.4	10.4	3.9	8.5	4.6	3.8	11.7	7.3	4.4
Real estate	30.0	34.2	-4.2	22.6	26.4	-3.7	27.0	29.6	-2.6
Fees paid for outsourcing (*2)	-27.3	-26.1	-1.1						
Others (*3)	1.0	2.2	-1.2	-11.4	-11.0	-0.3	-9.9	-9.9	-0.0
Total	297.7	286.2	11.5	175.9	164.6	11.2	215.4	196.2	19.2

(*1) Denotes "Gross business profit before credit costs" in this presentation

(*2) From FY2006, non-consolidated gross business profit before credit costs of each division is shown before "Fees paid for outsourcing." Breakdown of "Fees paid for outsourcing" by business lines is shown in page 12 of "Explanatory Material Fiscal Year ended on Mar. 31, 2007".

(*3) Include cost of capital funding, dividend of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

Contribution of major group companies to consolidated financial results

- ▶ Full-year contribution of First Credit, in addition to improving performance of Fiduciary as well as Real estate subsidiaries, helped <Consolidated> Net business profit to grow by 7.9 billion yen from FY2005
- ▶ The Net business profit for SMFC and Businext decreased due mainly to extraordinary gains posted last year
- ▶ STB Leasing and Sumishin Guaranty recorded non-ordinary gains (one-time effect) of 3.6 and 2.1 billion yen respectively

(in billions of Yen)	Business group	Group's ownership	Consolidated Net business profit before credit costs (*1)			Consolidated Net income before amortization of goodwill (*2)		
			FY2006	FY2005	Change	FY2006	FY2005	Change
Sumishin Guaranty Co., Ltd.	Retail	100%	2.3	1.8	0.4	3.8	0.9	2.9
STB Leasing Co., Ltd. (*3)	Wholesale	100%	3.0	1.7	1.2	5.4	1.1	4.2
Sumishin Matsushita Financial Services Co., Ltd. (SMFC)	Wholesale	66%	5.2	8.2	-3.0	1.8	2.9	-1.0
First Credit Corporation	Wholesale	100%	10.6	4.4	6.1	9.3	5.8	3.4
BUSINEXT CORPORATION	Wholesale	40%	2.5	2.0	0.5	0.2	0.9	-0.7
Japan TA Solution, Ltd.	Stock transfer agency	80%	4.6	4.0	0.6	3.2	2.8	0.3
Sumitomo Trust and Banking Co. (U.S.A.)	Fiduciary	100%	2.9	2.2	0.6	1.7	1.3	0.4
Japan Trustee Services Bank, Ltd.	Fiduciary	33%	0.8	0.8	-0.0	0.4	0.5	-0.0
STB Asset Management Co., Ltd.	Fiduciary	100%	1.2	1.0	0.2	0.7	0.6	0.1
Sumishin Realty Co., Ltd.	Real estate	100%	2.7	2.3	0.3	1.3	1.2	0.0
STB Real Estate Investment Management Co., Ltd. (STREIM)	Real estate	100%	1.3	0.5	0.7	0.8	0.3	0.4
Total			39.5	31.6	7.9	22.0	11.5	10.4

(*1) Consolidated subsidiaries: Net operating income (adjusted for non-recurring items) - intergroup transaction (dividend payment, etc.)
 Affiliates: Net operating income (adjusted for non-recurring items) x %ownership - intergroup transaction (dividend payment, etc.)

(*2) Goodwill amortization 6.1 bn. yen (FY2005: 5.3 bn. yen): First Credit Corporation 5.4 bn. yen (3.8 bn. yen), Sumishin Matsushita Financial Services 2.0 bn. yen (2.0 bn. yen), STB Leasing Co., Ltd. -1.2bn. yen (-), etc.

(*3) Consolidated subsidiary after December 2006. Equity affiliate for FY2005. Includes its subsidiaries.

FY2007 1Q financial results (2007/4 – 2007/6)

<Consolidated>

(in billions of Yen)

		FY2007 1Q	FY2006 1Q	Change	%Change
Net business profit before credit costs	1	37.5	41.9	-4.3	-10%
Net operating income	2	33.9	40.1	-6.1	-15%
Net income	3	24.5	26.9	-2.4	-9%
Consolidated EPS (fully diluted)	4	14.65yen	16.10yen	-1.45yen	-9%

<Non-consolidated>

(in billions of Yen)

Net business profit before credit costs	5	27.7	33.6	-5.8	-17%
General and administrative expenses	6	31.0	29.0	1.9	7%
Credit costs (a)	7	0.1	-0.4	0.5	-145%
Net gains on stocks	8	0.5	0.9	-0.3	-41%
Other non-recurring items	9	-2.5	-0.8	-1.6	192%
Net operating income	10	25.6	34.1	-8.5	-25%
Extraordinary income	11	11.6	1.4	10.1	707%
Reversal of reserves (b)	12	1.4	1.3	0.1	10%
Net income	13	24.6	22.9	1.7	7%
Total credit costs (a)-(b)	14	-1.2	-1.7	0.4	-26%

Forecast for FY2007

- ▶ Net business profit is expected to increase, compensating the growth in expense
- ▶ Credit costs to be normalized at 20 bps over total loan balance
- ▶ <Consolidated> Net income to grow by 16% to 120 billion yen; 18 yen per share of full year dividend payment represents dividend payout ratio of 25%

<Consolidated>	(in billions of Yen)	FY2007 (Forecast)	FY2006 (Actual)	Change
Net business profit before credit costs		220.0	215.4	4.5
Net operating profit		185.0	170.1	14.8
Net income		120.0	103.8	16.1
<Non-consolidated>				
Net business profit before credit costs		180.0	175.9	4.0
Gross business profit before credit costs		312.0	297.7	14.2
G&A expenses		132.0	121.8	10.1
Net operating income		155.0	134.5	20.4
Net income		100.0	81.8	18.1
Total credit costs		25.0	40.5	-15.5
Full year dividend per share (Yen)		18	17	1
Consolidated dividend payout ratio		25.1%	27.4%	-2.3%

Important notices

Important notices of mutual funds

- Mutual funds carry various fees at purchase and at other times
 - (Load) : varies according to the amount of purchase, a maximum of 3.15% (3.0% before tax) of the price on the date of purchase.
 - (Redemption fee) : none
 - (Redemption processing fee) : a maximum of 0.1% of the price on the date of purchase, and a maximum of 0.5% of the value at redemption.
 - (Trust fee) : a maximum of 2.1% (2.0% before tax) per annum of the net asset amount held in the fund.
 - (Other fees) : overhead expenses charged to net asset amount such as brokerage fees and taxes related to transactions, fees required for futures & option trades, custody fees, audit fees (including consumption tax where required), and other expenses.

- * For details, please read the prospectus for each mutual fund.

- Mutual fund risks
 - Mutual funds are mainly invested in domestic and overseas equities and fixed income securities, real estate investment trusts, etc., either directly or through investment trust securities. The net asset values (NAVs) of mutual funds fluctuate depending on the price movements of their component equities, fixed income securities, real estate investment trusts, etc., and of fluctuations in exchange rates, among other factors. It is therefore possible that the NAVs will fall below principal value.

Important notices of mutual funds

- Other important notices
 - Mutual funds involve risk. Performance varies due to the market environment. The NAV is influenced by fluctuations in the prices of component securities, and, in cases where foreign-currency denominated assets are components, also by fluctuations in exchange rates. As such there is no guarantee of principal preservation.
 - When a purchase application is submitted, Sumitomo Trust provides a prospectus for the fund. We ask investors to read the prospectus and make an independent investment judgment.
 - The risk of loss of principal is borne by investors.
 - Mutual funds are not deposits, so they are not covered by the Japanese Deposit Insurance System.
 - The mutual funds handled by Sumitomo Trust are not covered by any investor protection fund.
 - Sumitomo Trust acts as a sales agent for accepting applications, while a management company manages the funds.
 - This presentational material was produced by Sumitomo Trust and is not a disclosure document as stipulated in the Financial Instruments and Exchange Law.

- Information concerning the sales company
 - (Trade name) :
The Sumitomo Trust and Banking Company, Limited; Financial Institution Registered (No. 5) with the Director General of the Kinki Finance Bureau
 - (Association memberships) :
Japan Securities Dealers Association (JSDA)
Japan Securities Investment Advisors Association (JSIAA)
The Financial Futures Association of Japan (FFAJ)

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.