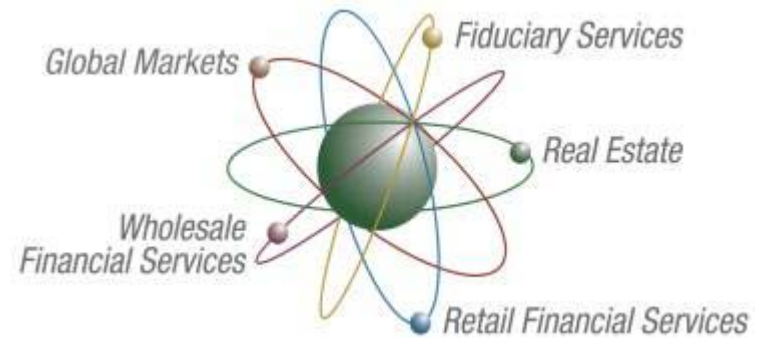




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***The Sumitomo Trust
& Banking Co., Ltd.***



**Information Meeting
on
Financial Results for 1HFY2007**

November 27, 2007

**Updated on February 8, 2008
to include “3QFY2007 financial results”**

- ▶ 1HFY2007 financial results and conditions
- ▶ Forecast for FY2007
- ▶ Division performance
- ▶ Strategy of M&A and business alliance
- ▶ Appendix
- ▶ 3QFY2007 financial results

1HFY2007 financial results and conditions



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1HFY2007 financial results (April 2007 – September 2007)

- ▶ <Non-consolidated> Net business profit ^(*1): Decreased by 7% from 1HFY2006; increase in net fees and commissions of fiduciary services and real estate fell short to cover decrease in interest income and other profits of treasury and financial products business
- ▶ <Consolidated and non-consolidated> Net income: Decreased by approximately 40% from 1HFY2006 mainly due to increase of total credit costs

<Consolidated>	(in billions of Yen)	1HFY2007	1HFY2006	Change	% change
Net business profit before credit costs		102.4	105.3	-2.9	-3%
Net operating income		61.3	99.1	-37.8	-38%
Net income		37.7	63.9	-26.2	-41%

<Non-consolidated>	(in billions of Yen)	1HFY2007	1HFY2006	Change	% change
Net business profit before credit costs		80.7	86.8	-6.0	-7%
Net interest income ^(*2)		79.2	82.8	-3.5	-4%
Net fees & commissions ^(*3)		61.6	52.5	9.0	17%
Other profits		3.7	12.0	-8.2	-69%
General and administrative expenses		63.9	60.7	3.2	5%
Total credit costs		34.7	3.3	31.4	933%
Net operating income		42.8	85.9	-43.1	-50%
Extraordinary income		9.3	-1.0	10.4	989%
Net income		31.9	55.4	-23.5	-42%
Dividend per share (Interim)		8.5 Yen	8.5 Yen	-	-



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

(*2) Includes net trust fees of principal guaranteed trust a/c but excludes 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 financial services, fiduciary services, and real estate showed steady business profit, and wholesale financial services remained the same level as the previous year
- ▶ Despite decrease by 18.7 billion yen from 1HFY2006 due to transactions in interest rate and forex products, treasury and financial products business ensured 9.8 billion yen of gross business profit ^(*1)

	<Non-consolidated>						<Consolidated>		
	Gross business profit before credit costs			Net business profit before credit costs			Net business profit before credit costs		
(in billions of Yen)	1HFY2007	1HFY2006	Change	1HFY2007	1HFY2006	Change	1HFY2007	1HFY2006	Change
Retail financial services	44.5	39.1	5.3	14.9	10.9	4.0	16.2	12.1	4.0
Wholesale financial services	52.6	52.2	0.4	34.1	34.8	-0.7	49.7	47.2	2.4
Stock transfer agency services	10.0	9.7	0.2	2.4	2.4	0.0	4.4	4.7	-0.2
Treasury and financial products	9.8	28.6	-18.7	5.1	24.1	-18.9	5.1	24.1	-18.9
Fiduciary services	29.7	25.6	4.1	15.9	11.9	3.9	20.0	14.8	5.2
Pension asset management	19.8	18.3	1.5	9.4	8.0	1.4	10.8	8.6	2.1
Securities processing services	9.9	7.3	2.5	6.5	4.0	2.5	9.2	6.2	3.0
Real estate	18.8	14.8	4.0	15.0	11.1	3.8	16.1	12.6	3.5
Fees paid for outsourcing ^(*2)	-13.3	-13.5	0.2	-	-	-	-	-	-
Others ^(*3)	2.5	0.7	1.7	-4.2	-6.0	1.8	-4.6	-5.6	0.9
Total	144.6	147.5	-2.8	80.7	86.8	-6.0	102.4	105.3	-2.9

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

(*2) Breakdown of "Fees paid for outsourcing" by business lines is shown in page 13 of "Explanatory Material 1st Half Fiscal Year 2007 ended on Sep. 30, 2007".

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



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Contribution of major group companies to consolidated financial results

- ▶ First Credit and the group companies belonging to fiduciary business successfully expanded their business to achieve favorable results
- ▶ While the profitability of two leasing companies decreased due to adverse environment such as increase in interest expenses, STB Leasing contributed to consolidated net business profit by becoming a wholly owned subsidiary

(in billions of Yen)	Business group	Group's ownership	Consolidated Net business profit before credit costs ^(*)			Consolidated Net income before amortization of goodwill ^(**)		
			1HFY2007	1HFY2006	Change	1HFY2007	1HFY2006	Change
Sumishin Guaranty Co., Ltd.	Retail	100%	1.22	1.14	0.08	0.77	2.33	-1.56
STB Leasing Co., Ltd.	Wholesale	100%	3.05	0.92	2.13	1.21	0.56	0.65
(Effect of 100% consolidation)			(2.16)	(-)	(2.16)	(0.87)	(-)	(0.87)
Sumishin Matsushita Financial Services Co., Ltd. (SMFC)	Wholesale	66%	1.97	2.64	-0.67	0.67	0.89	-0.22
First Credit Corporation	Wholesale	100%	5.74	5.51	0.22	7.10	4.96	2.14
BUSINEXT CORPORATION	Wholesale	* 40%	1.30	1.30	-0.00	-0.06	0.14	-0.21
Japan TA Solution, Ltd.	Stock transfer agency	80%	1.97	2.31	-0.33	1.42	1.59	-0.17
Sumitomo Trust and Banking Co. (U.S.A.)	Fiduciary	100%	2.04	1.32	0.71	1.20	0.80	0.40
Japan Trustee Services Bank, Ltd.	Fiduciary	* 33%	0.40	0.69	-0.28	0.22	0.39	-0.17
STB Asset Management Co., Ltd.	Fiduciary	100%	1.29	0.58	0.71	0.74	0.33	0.40
Sumishin Realty Co., Ltd.	Real estate	100%	0.90	0.97	-0.06	0.48	0.47	0.01
STB Real Estate Investment Management Co., Ltd. (STREIM)	Real estate	100%	0.39	0.76	-0.36	0.23	0.46	-0.22

(*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: Sumishin Matsushita Financial Services 1.0 bn. Yen, First Credit Corporation 2.7 bn. yen, etc.



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Breakdown of net interest income (Domestic)

- ▶ Loan-deposit margin, on a track of improvement, increased by 3 bps from 2HFY2006 and by 9 bps from 1HFY2006
- ▶ Net interest income decreased by 4.0 billion yen from 1HFY2006 due to the reduction of interest income attributable to swaps

<Loan-deposit margin

(domestic banking a/c and principal guaranteed trust a/c combined)>

	FY2007		Change from FY2006		FY2006		FY2005	
	1H	2H	1H	2H	1H	2H	1H	
Average yield on Loans and bills discounted	1.49%	+0.13%	+0.31%	1.36%	1.18%	1.09%	1.16%	
Average yield on Deposits & Trust principal	0.44%	+0.10%	+0.22%	0.34%	0.22%	0.16%	0.17%	
Loan-deposit margin	1.05%	+0.03%	+0.09%	1.02%	0.96%	0.93%	0.99%	

<Breakdown of net interest income (domestic)>

	1HFY2007			1HFY2006			Change		
	Income	Average balance	Yield	Income	Average balance	Yield	Income	Average balance	Yield
Domestic banking a/c and Principal guaranteed trust a/c combined	71.7			75.7			-4.0		
Interest income	107.8	14.98	1.43%	96.4	15.87	1.21%	11.4	-0.88	0.22%
Loans	75.3	10.07	1.49%	60.7	10.26	1.18%	14.6	-0.18	0.31%
Securities ^(*)	29.0	3.76	1.53%	22.0	4.29	1.02%	7.0	-0.52	0.51%
Swaps	2.9			11.5			-8.6		
Interest expenses	36.8	15.12	0.48%	20.6	15.76	0.26%	16.1	-0.64	0.22%
Deposits & Trust principal	25.2	11.40	0.44%	12.5	11.24	0.22%	12.6	0.16	0.21%
Negotiable certificate of deposit	6.6	2.08	0.63%	2.2	2.25	0.19%	4.4	-0.16	0.44%
Call money, etc. ^(*)	2.6	0.92	0.56%	1.7	1.66	0.20%	0.8	-0.73	0.35%



Fee revenue breakdown

- ▶ Fiduciary: Maintained high growth due to increase in volume of entrusted asset related to mutual fund and pension trust
- ▶ Retail: Achieved the increase in revenue led by the stock effects of administration fee from the steadily increasing mutual fund depositary balance
- ▶ Real estate: Brokerage of high-class large properties and securitization fee contributed to achieve the increase in revenue

<Consolidated>	(in billions of Yen)	1HFY2007	1HFY2006	Change	% Change	Major contributing factors (in billions of Yen)
Other trust fees		30.9	27.8	3.0	11%	
Pension trust, Public pension		16.8	15.7	1.0	6%	Pension trust 1.9, Public pension -0.8
Securities processing services		8.0	5.8	2.2	38%	Mutual fund administration 2.1
Net fees and commissions		55.0	46.6	8.4	18%	
Domestic business		50.0	43.5	6.4	15%	
Retail financial services		14.5	13.4	1.0	7%	Mutual fund 2.0, Individual annuity -0.9
Wholesale financial services		22.1	21.8	0.2	1%	
Stock transfer agency services		10.7	10.4	0.3	3%	
Real estate		18.6	16.0	2.5	16%	Commercial property brokerage 2.8
Fees paid for outsourcing (custody & pension administration)		-6.8	-7.2	0.3	-4%	
International business		5.0	3.0	1.9	63%	Global custody 1.3
Total (A)		85.9	74.5	11.4	15%	
Gross profits before credit costs (B)		195.3	188.3	7.0	4%	
Fee ratio (A)/(B) (%)		44.0%	39.5%	4.5%	11%	



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Breakdown of total credit costs

- ▶ Increase of reserves in relation to some of the certain industry debtors, which are classified as special mention debtors; approximately 31 billion yen
- ▶ Net loss on sales and reserves of overseas corporate loans(warehousing loans related to CLO issuance) combined approximately 9 billion yen

<Breakdown of total credit costs (non-consolidated)>

1HFY2007	(in billions of Yen)
Banking a/c	34.7
Net transfer to general reserves	22.2
Net credit costs	12.5
Net losses on direct write-offs	9.2
Net transfer to specific loan loss reserves	1.4
Net losses on sales of loans	1.7
Trust a/c	-
Total credit costs	34.7

Major Factors of Change

Factors of special mention debtors in certain industry:

Increase of reserves	approx. 31
Decrease in loan volume	approx. -8
Overseas corporate loans	approx. 3
Others	approx. -4

Overseas corporate loans	4.3
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Overseas corporate loans	1.7
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(*) Negative figure indicates profit due to write backs.

approx.
23

approx.
9

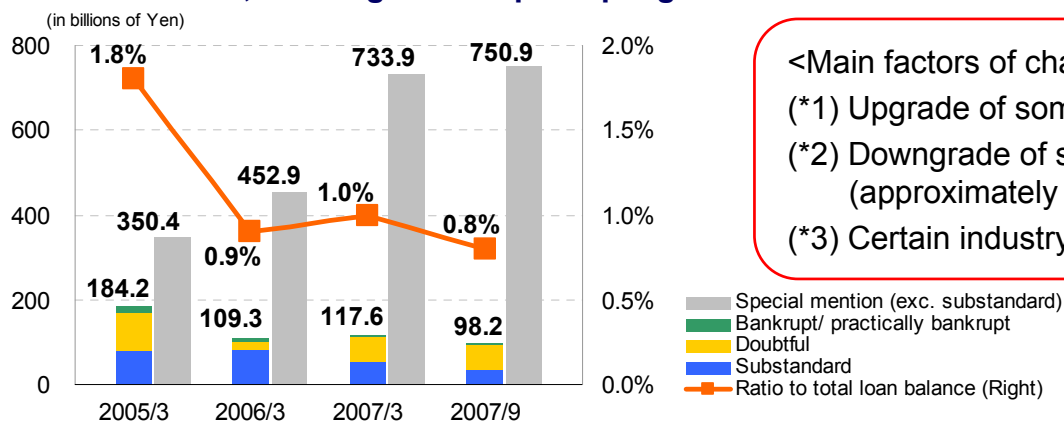
approx.
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4.2% of loss ratio against the disposed amount (approximately 140 billion yen)

Non-performing loans and migration analysis

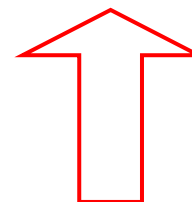
- ▶ NPL volume decreased mainly due to upgrade from substandard, resulting ratio to total loan balance of NPLs 0.8%
- ▶ Loans to special mention debtors increased by 44.7 billion yen mainly due to downgrade of some overseas corporate loans (approximately 70 billion yen)

<Balance and ratio to total loan balance of NPLs (non-consolidated; banking a/c and principal guaranteed trust a/c combined)>



<Main factors of changes from March 2007>

- (*1) Upgrade of some large debtors
- (*2) Downgrade of some overseas warehousing loans (approximately +70), certain industry (approximately +9)
- (*3) Certain industry (approximately -48)



<Migration analysis (non-consolidated; banking a/c and principal guaranteed trust a/c combined)>

(in billions of Yen)	Sep-07	Mar-07	Change	Downgrade (+)	Downgrade (-)	Upgrade (+)	Upgrade (-)	Repayment, etc.
Bankrupt / practically bankrupt	5.5	6.5	-1.0	1.1	-	-	-0.2	-1.9
Doubtful	59.8	58.5	1.3	9.4	-0.5	0.1	-1.9	-5.7
Loans to substandard debtors	35.4	82.7	-47.3	2.0	-0.4	0.8	(*1) -48.0	-1.8
Loans to special mention debtors (excluding loans to substandard debtors)	748.4	703.7	44.7	(*2) 134.4	-7.7	18.0	-20.3	(*3) -79.6



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Securities portfolio and interest rate risk

- ▶ Net unrealized gains/losses of available-for-sale securities dropped to 365.3 billion yen mainly due to the decline of stock prices; “Foreign bonds and others” depreciated to negative 49 billion yen including 28.7 billion yen of unrealized loss in overseas bonds
- ▶ Japanese bonds and Foreign bonds and others increased by approximately 1 trillion yen due to the increase in government bond investment

<Change in cost and net unrealized gains/losses of securities for which market prices are available (consolidated/ after devaluation)>

(in billions of Yen)	Book value			Sep-07	Cost			Net unrealized gains/losses		
	Sep-07	Mar-07	Change		Mar-07	Change	Sep-07	Mar-07	Change	
Held-to-maturity debt securities	663.1	706.8	-43.6	663.1	706.8	-43.6	-0.3	-1.6	1.2	
Available-for-sale securities	5,354.8	4,084.0	1,270.8	4,989.5	3,587.5	1,401.9	365.3	496.4	-131.1	
Stocks	913.2	989.1	-75.9	493.2	481.9	11.2	420.0	507.2	-87.2	
Japanese bonds	1,114.7	951.4	163.3	1,120.4	955.0	165.4	-5.6	-3.5	-2.1	
Foreign bonds and others ^(*)	3,326.7	2,143.3	1,183.4	3,375.8	2,150.5	1,225.2	-49.0	-7.2	-41.8	

(*) The definition of securities was modified by the newly enacted Financial Instruments and Exchange Law (FIEL) to include expanded categories of trust beneficiary certificates as of the end of September 2007, resulting in the increase of 345.1 billion yen.

<Securities portfolio of treasury and financial products business ^(*) (non-consolidated)>

(in billions of Yen)	Cost			Unrealized gains/losses			10BPV		
	Sep-07	Mar-07	Change	Sep-07	Mar-07	Change	Sep-07	Mar-07	Change
JPY	1,693.5	1,524.7	168.7	-4.3	-4.7	0.3	7.1	5.6	1.4
Other	1,376.2	590.4	785.7	-30.9	-19.8	-11.1	8.3	2.2	6.0
USD	494.4	190.3	304.1	-5.1	-2.0	-3.1	3.2	0.4	2.7
EUR, etc.	881.7	400.1	481.5	-25.7	-17.7	-8.0	5.0	1.8	3.2

(*) Managerial reporting basis; Held-to-maturity debt securities and Available-for-sale securities are combined.

<Outlier ratio ^(*) (consolidated)>

(in billions of Yen)	Sep-07	Mar-07	Change
Total interest rate risk	191.2	120.9	70.2
JPY	87.0	67.9	19.1
Tier I + Tier II	1,961.7	1,930.8	30.8
Outlier ratio	9.74%	6.26%	3.48%

(*) Please refer to the notes in page 128 of our 2007 Annual Report for the definition of the calculation method.



Regulatory capital

- ▶ Tier 1 ratio increased to 6.68%; considering the phased roll-out effect, target level of 7 to 8% came within the range
- ▶ Total risk adjusted assets decreased by 0.36 trillion yen to 15.55 trillion yen from March 2007 mainly due to the reduction of corporate loans and the decline of stock prices

<BIS capital ratio and Tier I ratio>

(in billions of Yen)	Basel II standard			<For reference> Former standard		
	Sep-07	Mar-07	Change	Sep-07	Mar-07	Change
Total capital	1,836.4	1,809.8	26.5	2,013.5	1,966.6	46.8
Tier I	1,040.5	1,026.1	14.3	1,056.7	1,047.2	9.4
Retained earnings	406.5	383.0	23.4	406.5	383.0	23.4
Goodwill (Deduction)	119.7	104.8	14.9	119.7	104.8	14.9
(EL-Eligible provisions) ×50%	16.1	21.0	-4.9	-	-	-
Tier II	921.1	904.6	16.5	1,013.8	977.2	36.5
Net unrealized gains on available-for-sale securities, net of tax	166.6	223.6	-57.0	166.6	223.6	-57.0
Perpetual subordinated debts	746.3	675.1	71.2	746.3	675.1	71.2
Deduction	125.2	120.9	4.2	57.0	57.8	-0.8
(EL-Eligible provisions) ×50%	16.1	21.0	-4.9	-	-	-
Securitized exposure	51.5	41.2	10.3	-	-	-
BIS capital ratio	11.80%	11.36%	0.44%	12.65%	12.15%	0.50%
Tier I ratio	6.68%	6.44%	0.24%	6.64%	6.47%	0.17%

<Total risk adjusted assets>

(in billions of Yen)	Basel II standard			Former standard		
	Sep-07	Mar-07	Change	Sep-07	Mar-07	Change
Total risk adjusted assets	15,555.8	15,924.9	-369.1	15,905.9	16,182.1	-276.2
Risk-weighted assets for credit risk	14,719.2	15,100.6	-381.3	15,770.5	16,023.1	-252.6
Market risk equivalent	135.4	158.9	-23.5	135.4	158.9	-23.5
Operational risk equivalent	701.1	665.3	35.7	-	-	-



Forecast for FY2007



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Forecast for FY2007 (announced in November 2007)

- ▶ Revised forecast for consolidated net income to 90 billion yen, while maintaining 2H forecast
- ▶ Planning 17 yen per share for full year dividend, same level as previous year result, consolidated dividend payout ratio expected to reach 31.6%

<Consolidated>	(in billions of Yen)	FY2006	FY2007		Forecast for FY2007
		(Actual)	Previous forecast as of May 2007	Previous forecast as of Nov. 2007	
Net business profit before credit costs		215.4	220.0	215.0	215.0
Net operating profit		170.1	185.0	150.0	150.0
Net income		103.8	120.0	90.0	90.0
<Non-consolidated>					
Net business profit before credit costs		175.9	180.0	175.0	175.0
Total credit costs		40.5	25.0	50.0	30.0
(Including Losses related to international credit investment)		-	-	(50.0)	(60.0)
Net operating income		134.5	155.0	120.0	120.0
Extraordinary income		-2.0	10.0	10.0	10.0
Net income		81.8	100.0	80.0	80.0
Full year dividend per share (Yen)		17	18	17	17
Consolidated dividend payout ratio		27.4%	25.1%	31.6%	31.6%



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Division performance



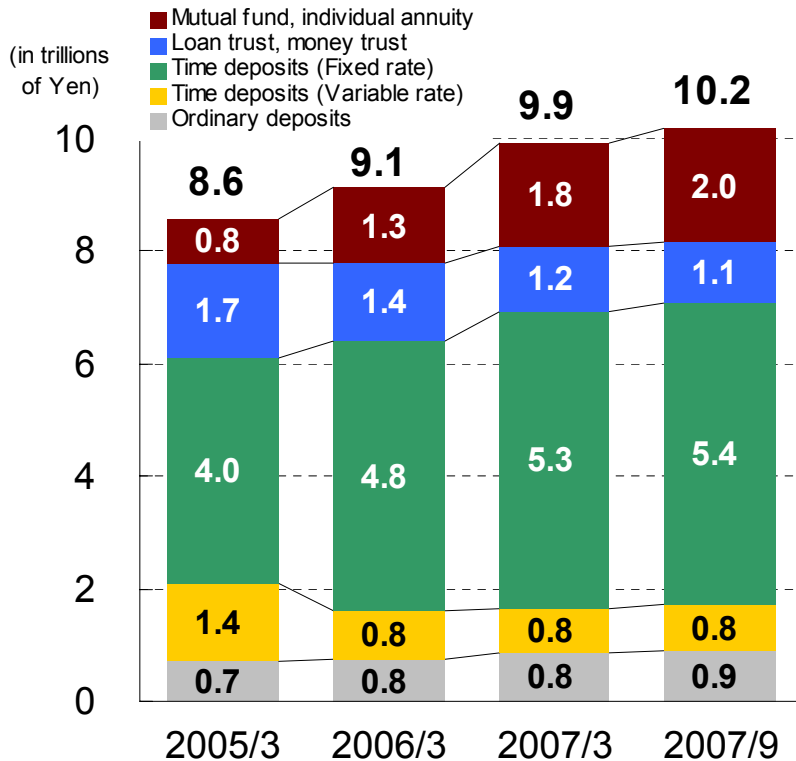
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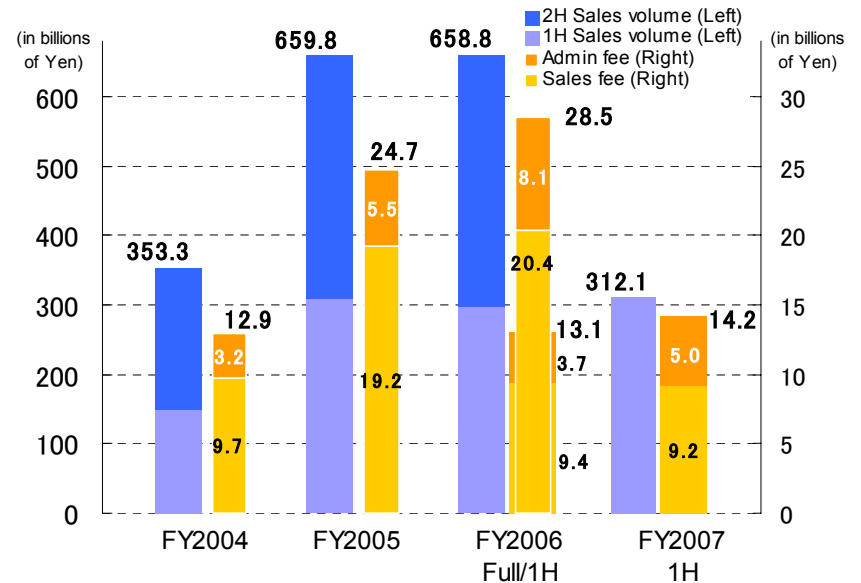
Retail financial services

- ▶ Volume of total depositary assets increased steadily, surpassed 10 trillion yen
- ▶ Sales volume of mutual fund/individual annuity, 312.1 billion yen, remained same level as 1HFY2006, and fee revenue increased by 1.1 billion yen due to the stock effect on the administration fee as outstanding balance grows

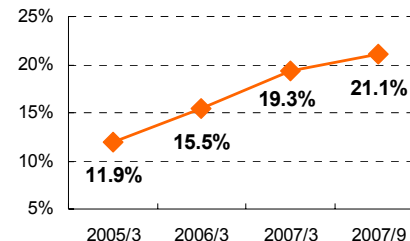
<Volume of total depositary assets from individuals>



<Sales volume and fee revenue of mutual fund/ individual annuity>



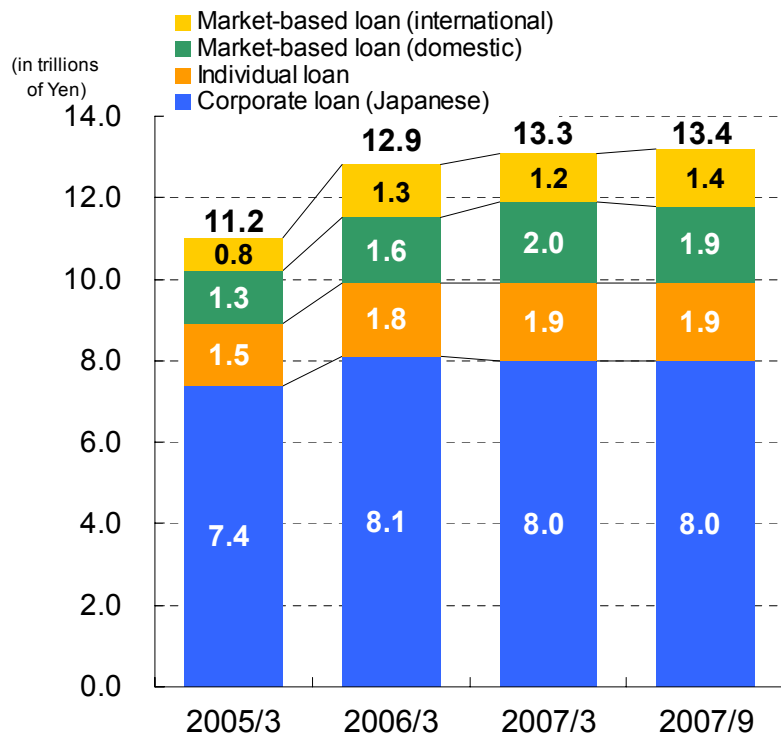
<Ratio of mutual fund holders to total deposit customers>



Wholesale financial services & Loan portfolio (Non-consolidated)

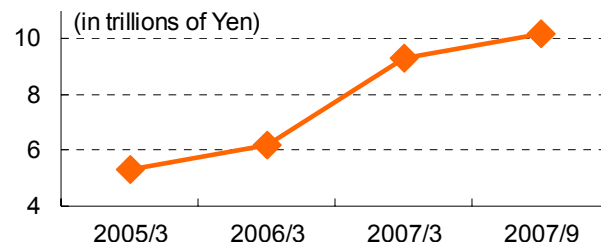
- ▶ Balance of loan portfolio slightly increased to 13.4 trillion yen as a result of slower growth of domestic loan demand and liquidation of loan assets (approximately 110 billion yen)
- ▶ Fee revenue increased by 2.6 billion yen from 1HFY2006 due to the growth of income related to real estate NRL and international credit business

<Balance of loan portfolio (non-consolidated)>

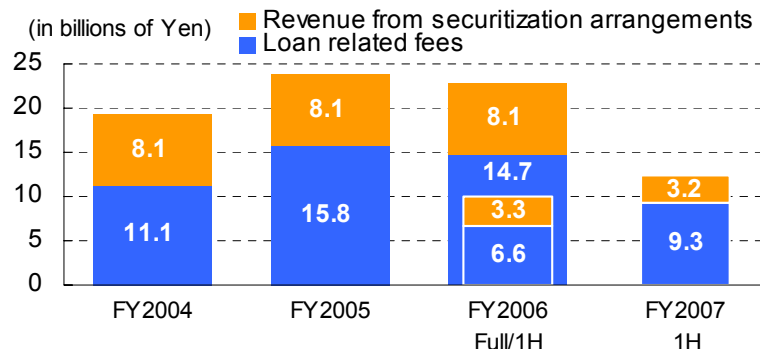


(*): Corporate loan (Japanese) includes conventional loan, syndicate loan and loan purchased from other banks; Market-based loan includes bonds with credit risk

<Balance of entrusted assets for securitization (non-consolidated)>



<Fee revenue of securitization and loan related business>



<Transaction volume of individual loan>

(in billions of Yen)			
FY2004	FY2005	Full FY2006 (1H)	1HFY2007
274.8	461.5	377.1	(138.0)
		(186.2)	



International credit business

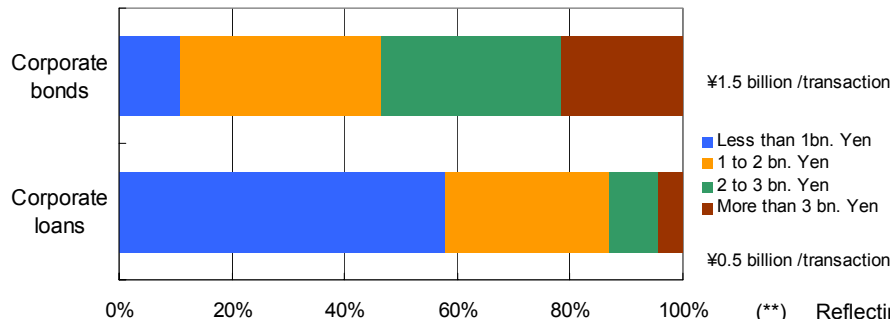
- ▶ Investment volume of overseas securitized products amounts approximately 720 billion yen including approximately 84 billion yen of equity-class products (consolidated)
- ▶ Investment policy focuses on the diversification and targets on low to middle risk profile

<Status of international credit business by products as of September 2007 (*)>

Market price	(in billions of Yen)	Cost	Equity portion	Unrealized gains/losses	Ratio of unrealized gains/losses
Available	Asset-Backed Securities	649.0	44.6	-22.6	-3.5%
	RMBS	231.7	-	-5.4	-2.3%
	CMBS	32.5	-	-0.8	-2.6%
	CLO	223.3	-	-4.1	-1.8%
	Cards	77.8	-	-2.3	-3.0%
	Others	83.5	44.6	-9.8	-11.7%
	Corporate bonds	326.7	-	-5.5	-1.7%
Not available	Corporate loans	385.7	-	-	-
	Other securities	101.6	28.2	-	-
	Asset-Backed Securities	68.9	28.2	-	-

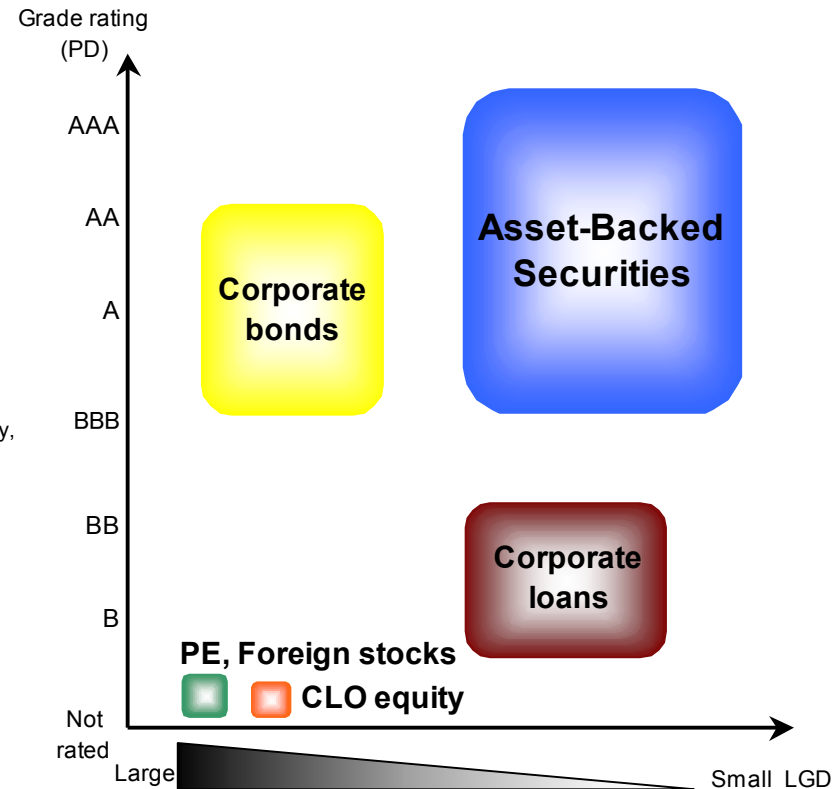
(*) Other than above, STB Omega Investment Ltd., Sumitomo Trust's 75% owned subsidiary, holds 11.4 billion yen of US CLO equity, of which unrealized loss is 2.9 billion yen.

<Investment diversification of corporate bonds/ loans by volume per transaction (**)>



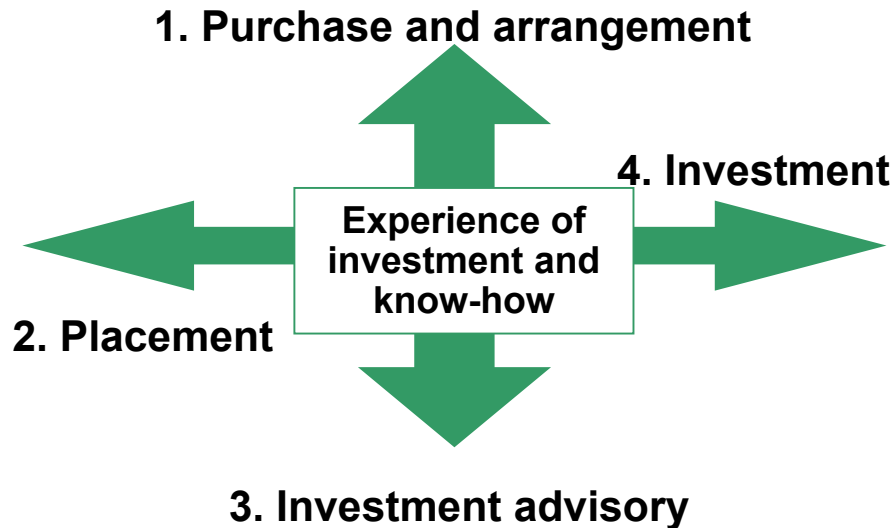
(**) Reflecting the diversification of collateral assets for corporate loans, if applicable.

<Products distribution by PD/LGD>



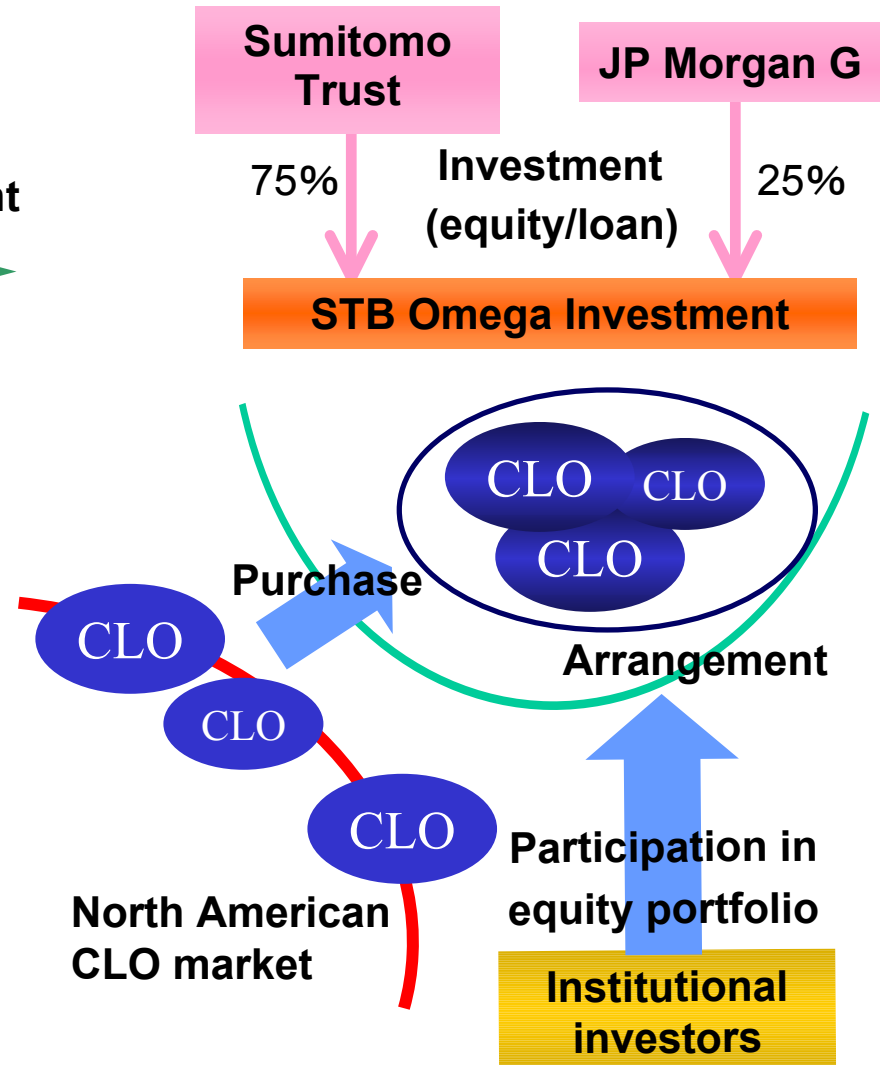
Case example of the expansion of international credit business to trust business: CLO related business

<Business model utilizing the integration of banking, trust and real estate business>



1. Purchase and arrangement	Arrangement utilizing the experience and know-how
2. Placement	Meet the needs of institutional investors' alternative investments
3. Investment advisory	Investment aiming the relative return
4. Investment	

<Business structure of CLO >



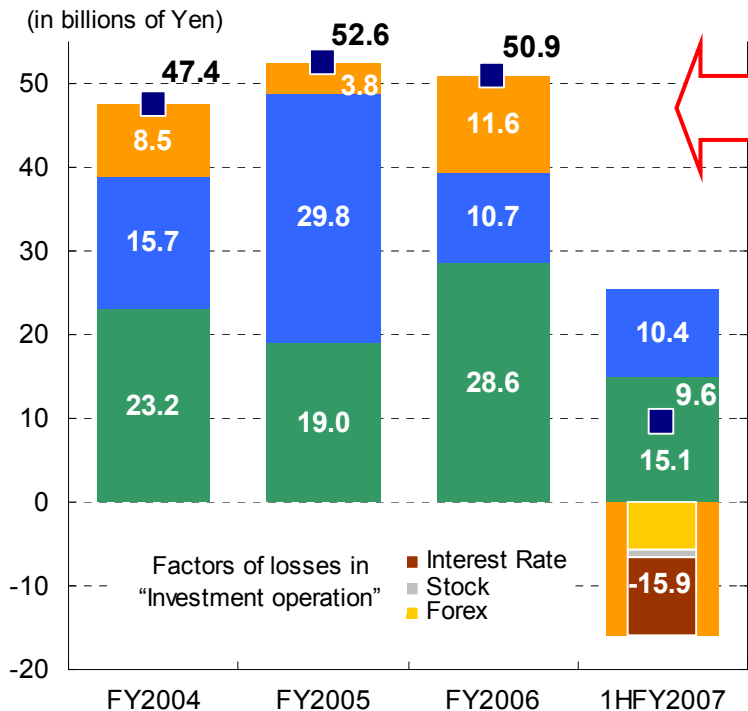
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Treasury and financial products

- ▶ “Investment operation” posted realized losses mainly related to transactions in interest rate and forex products due to turbulent environment in global financial market
- ▶ “Customer services” and “Financial operation” remained steady contributing the stability of business profit
- ▶ “Investment operation” closed majority of trading position and strengthened the risk volume management

<Breakdown of gross business profit>

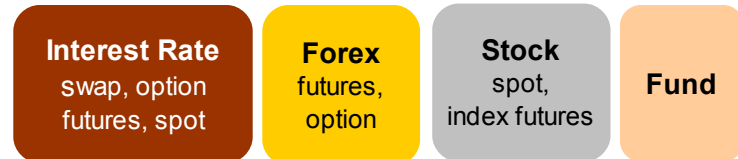


<Three pillars of Treasury and financial products>

- Marketing functions:** Market-making operations for interest rate and forex products; Creation & Sales of financial products
 - Financial operations:** Financial operations managing potential market risks^(*) involved in the overall balance sheet
(*) Interest rate risk associated with liquid deposits, equity risk, etc.
 - Investment operations:** Proprietary investment pursuing absolute return
- Total

<Operating policy of investment operation>

1. Diversification of investment strategies/ risk profiles



2. Diversification of investment principal



<Enhancement of risk management>

1. Further upgrade in diversification: sophistication of strategy and validation of the effect of diversification
2. Enhancement of risk volume management: strengthened position management through sensitivity analysis



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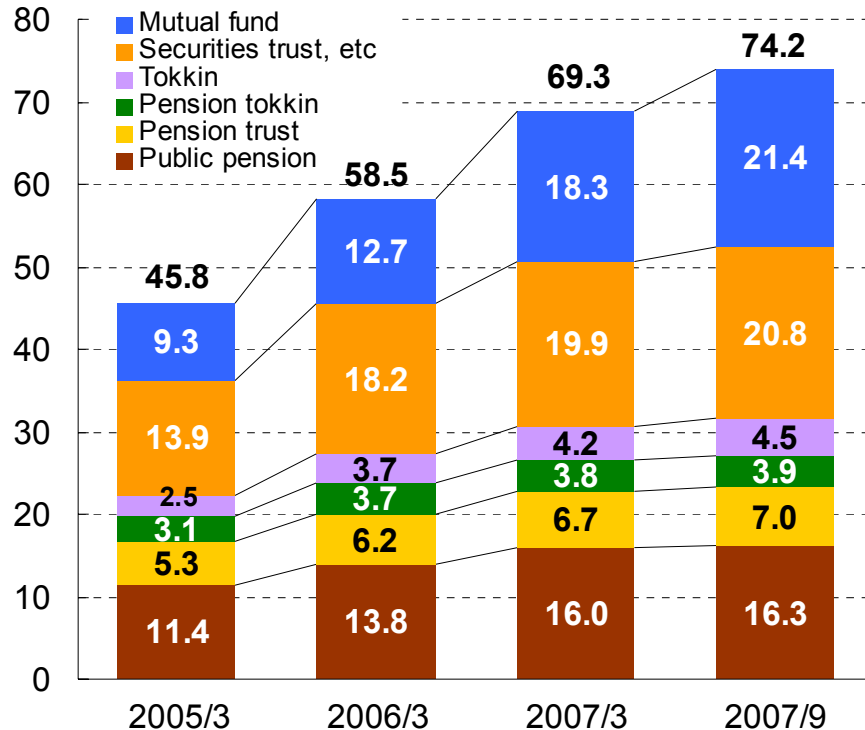
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Fiduciary business (Total entrusted assets, Securities processing)

- ▶ Mutual fund led volume of entrusted assets to increase by 7% from FY2006
- ▶ Stock investment trust achieved 19% increase supported by “saving to investment” trend in macro economy resulting market share beyond 20%

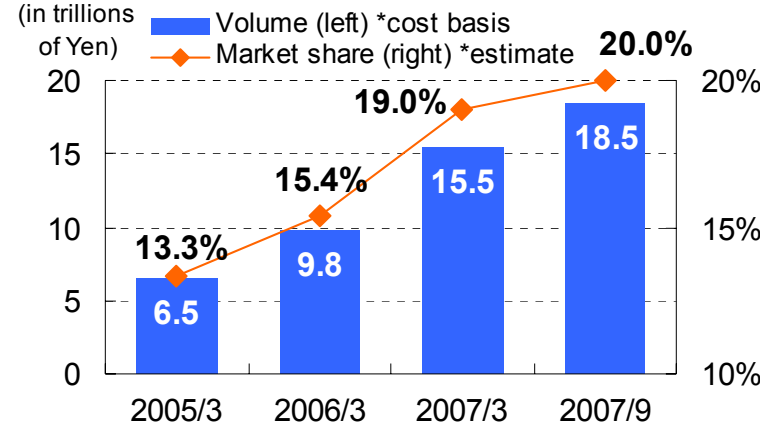
<Volume of entrusted assets>

(in trillions of Yen)



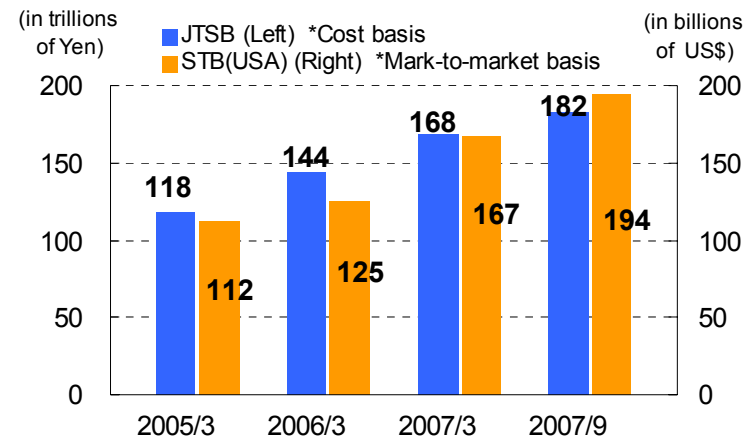
* Cost basis: Mutual fund and Tokkin
 * Mark-to-market basis: Securities trust, Pension tokkin, Pension trust, and Public pension

<Volume of entrusted stock investment trusts>



<Volume of entrusted assets with Japan Trustee Services Bank>

<Volume of global custody (Sumitomo Trust USA)>

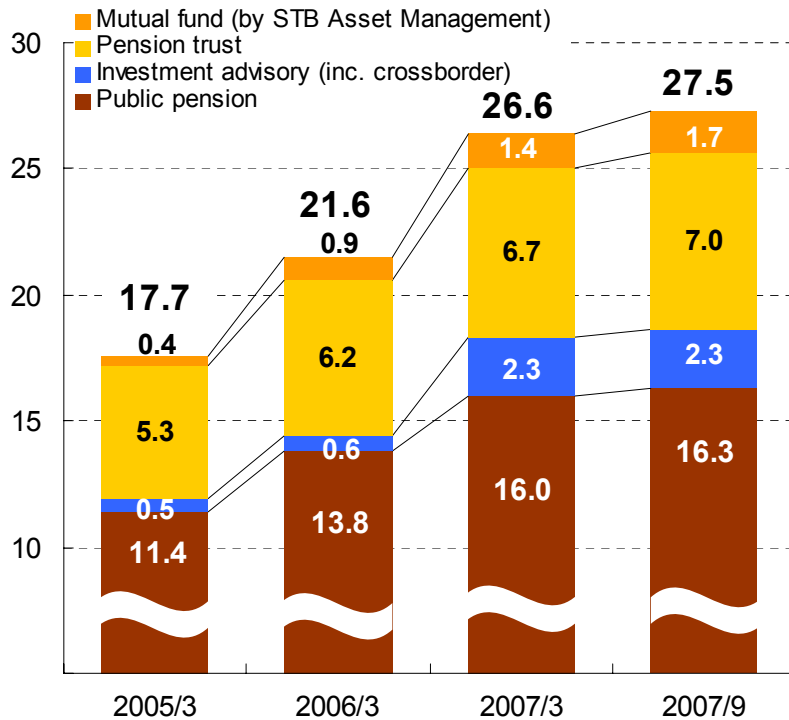


Fiduciary business (Pension, Investment management)

- ▶ Assets under management by our group increased by 3% to 27.5 trillion yen from March 2007
- ▶ Volume change of pension trust due to share change among trustees has been positive for over 60 consecutive months since August 2002

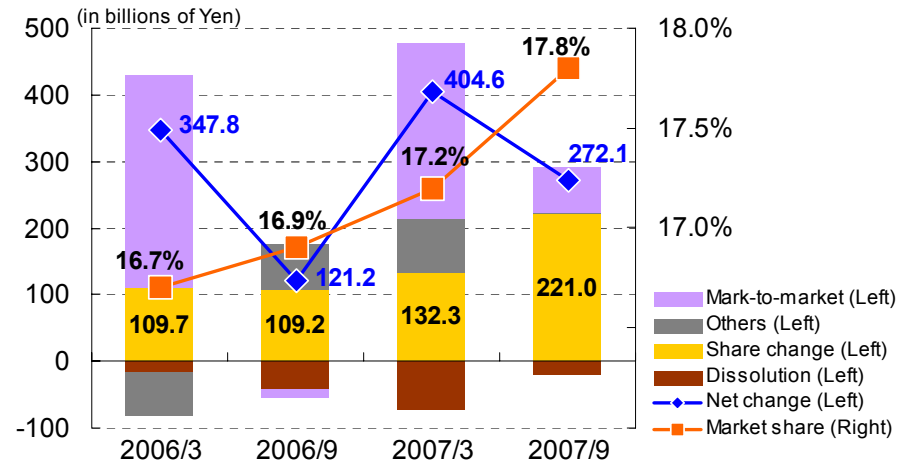
<Assets under STB group management>

(in trillions of Yen)



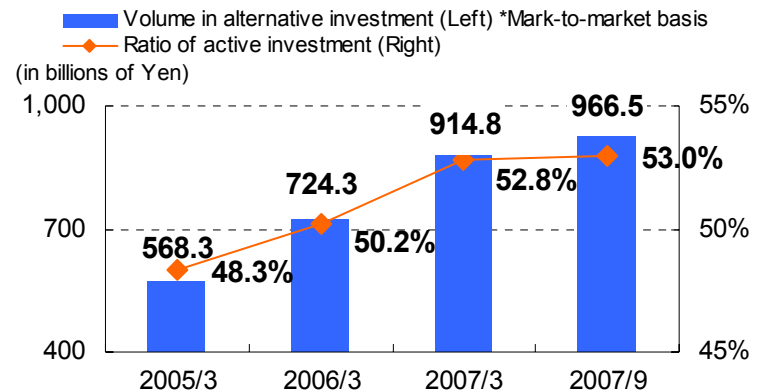
* Mark-to-market basis

<Factors of volume change of pension trust> <Market share of pension trust (*) estimate>



<Ratio of active management (corporate pension)>

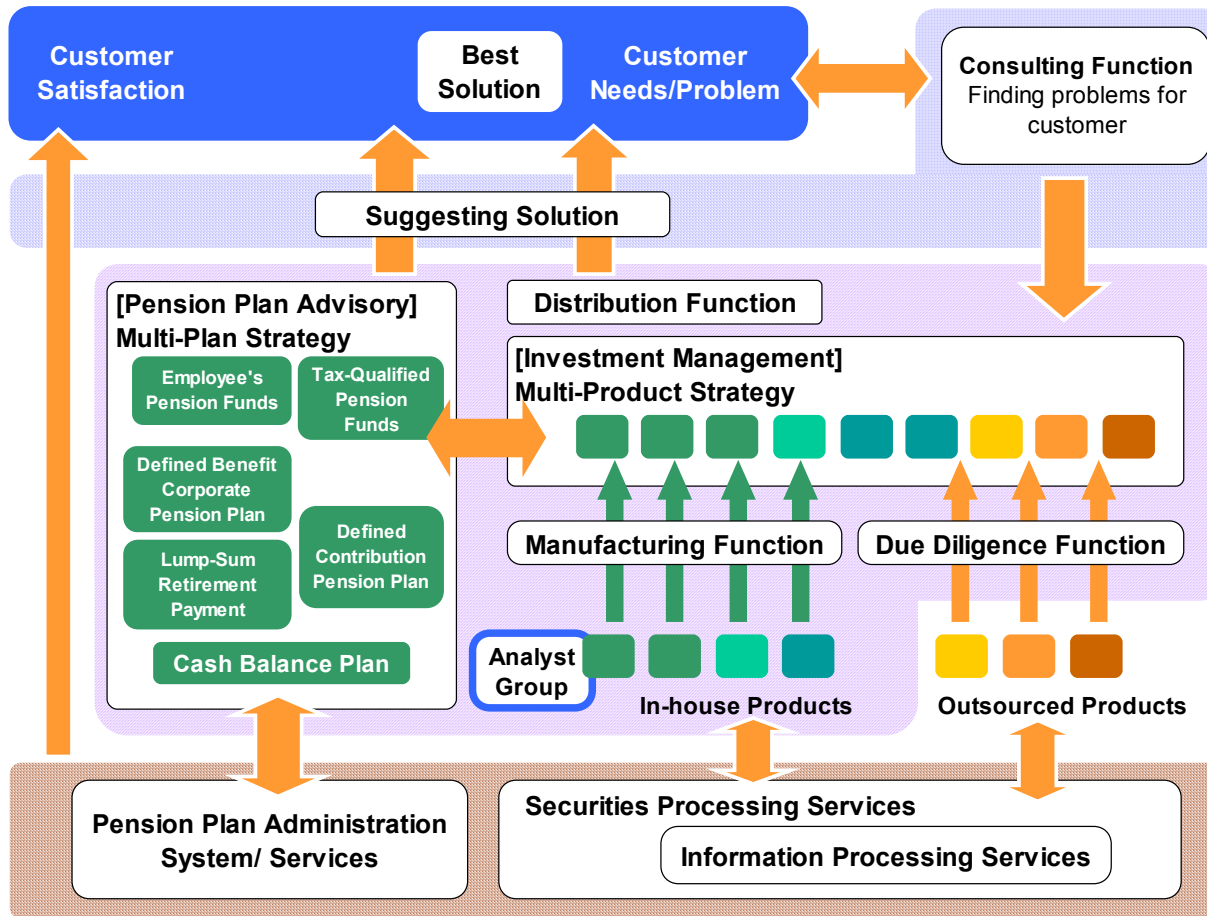
<Volume of entrusted assets in alternative investments>



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Business model of investment management

- ▶ Open platform enables providing best solution to customers with optimal product mix
- ▶ Combination of pension plan expertise and investment management proficiency materializes in high-value added consulting and information processing services



Marketing Brand



Sumitomo Trust served as a panel in the conference sponsored by Greenwich Associates in Chicago, October 2007 for leading US institutional investors.

Product Brand

<Analyst Rating>

Fiscal Year	Place
2004	First
2005	Second
2006	First

Survey points:
 1) Quality of questions
 2) Knowledge base
 3) Frequency of contacts
 4) Management discussion

Analyst group of Sumitomo Trust has been top ranked among approximately 100 asset managers. Survey was conducted by Mizuho Research Institute with IR managers of approximately 1,000 (181 results) corporations listed in the first section of Tokyo Stock Exchange.

<Awarded Funds>

Asian Investor 2007 Japanese Equity 5 year
 2006 Japanese Equity 3 year

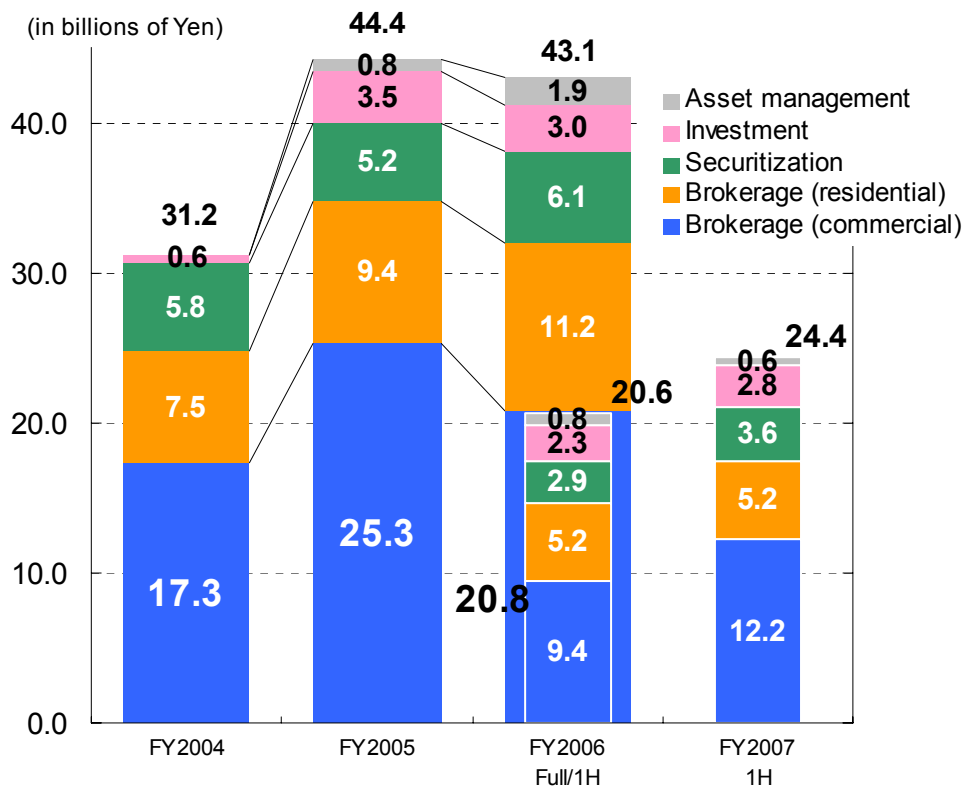
MORNINGSTAR Fund of the Year
 2006 Japanese Equity

MERCER MPA Award Japanese Equity 5 year
 Japanese Equity 3 year
 For Outstanding Performance 2006 JAPAN

Real estate business

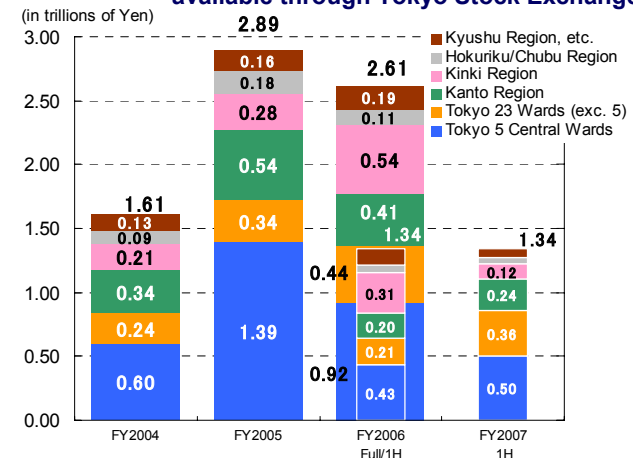
- ▶ Increasing profit owing to fees of brokerage service of large-size properties in metro area and securitization services
- ▶ Continued promotion of diversification of profit-making sources such as securitization, property trust, asset management, and consulting of property development

<Gross profit for real estate business>

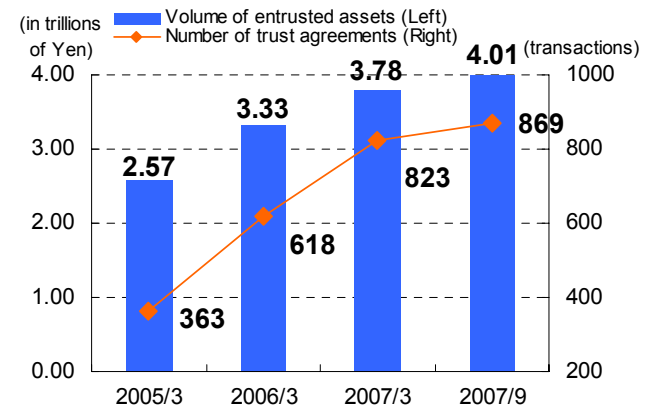


<Market volume of real estate transactions by region>

Source: STB Research Institute based on information available through Tokyo Stock Exchange's TDNet



<Volume of real estate securitization>



Strategy of M&A and business alliance



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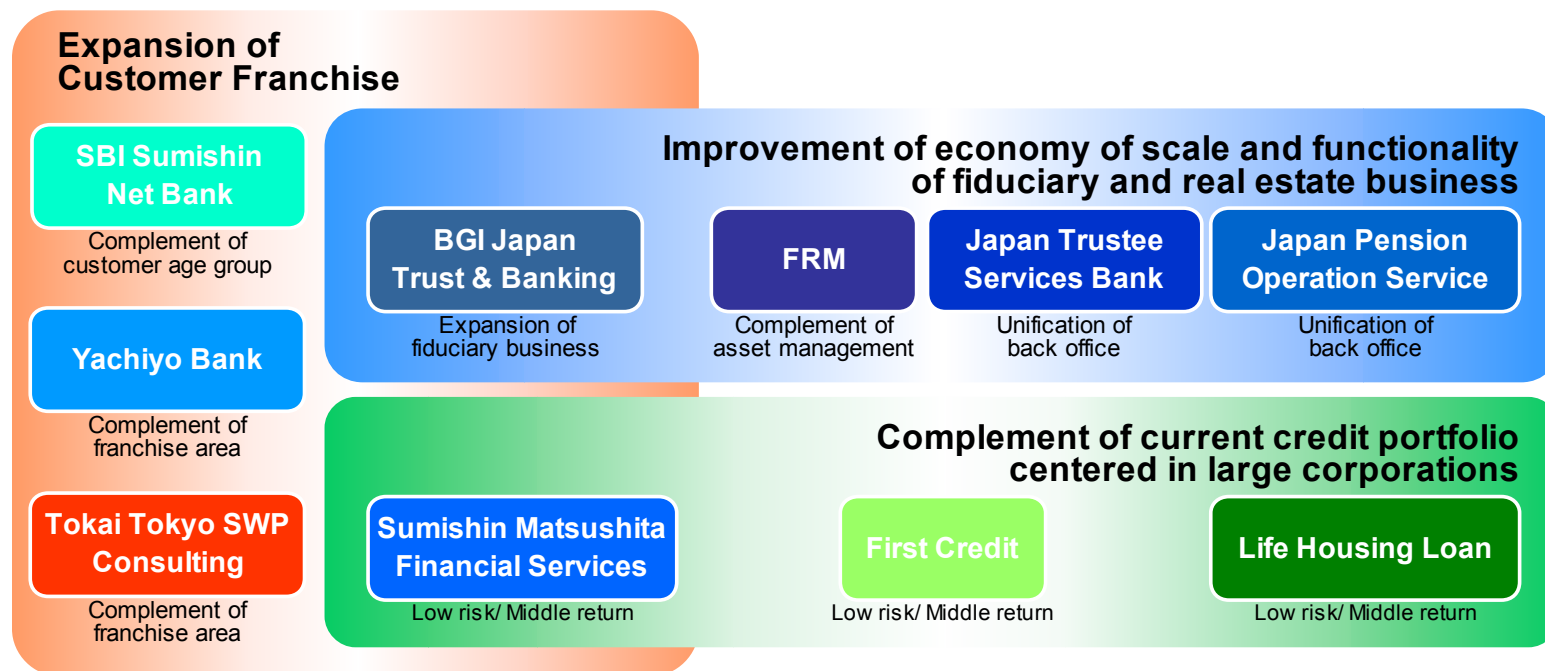
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Basic policy of Sumitomo Trust's M&A and business alliance

I. Basic policy

- ▶ Promote strategies to compliment business areas, such as fiduciary and real estate business, which are well perceived by customers and markets
- ▶ Establish strategic partnership with institutions of established customer franchise and/or business expertise irrespective of their corporate group identity
- ▶ Achieve the Win-Win relationship by mutually respecting each other's management and business strategies to unite and materialize strengths of both organizations

II. Objectives and principles



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Latest M&A and business alliance in fiduciary and real estate businesses

Business alliance with Aozora Bank Group

<Objective> (Announced on November 20, 2007)

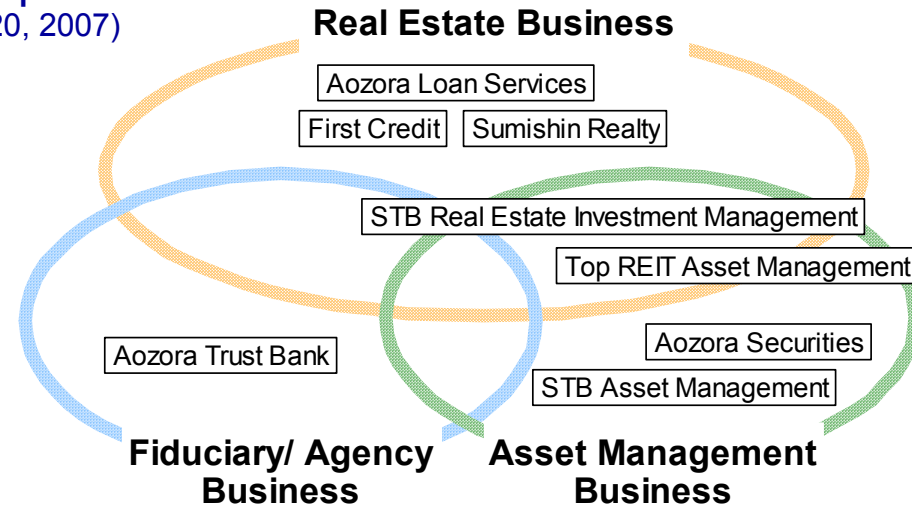
- 1) Promotion of comprehensive real estate business
- 2) Collaborated distribution of a variety of financial products and services primarily targeting regional financial institution clients

<Targeted business areas for alliance>

- 1) Real estate business
- 2) Fiduciary/agency business
- 3) Asset management business

<Schedule>

March 2008 as a provisional deadline for the completion of discussions on all areas of the alliance



Acquisition of BGI Japan Trust & Banking (“BTB”)

<Objective> (Announced on November 26, 2007)

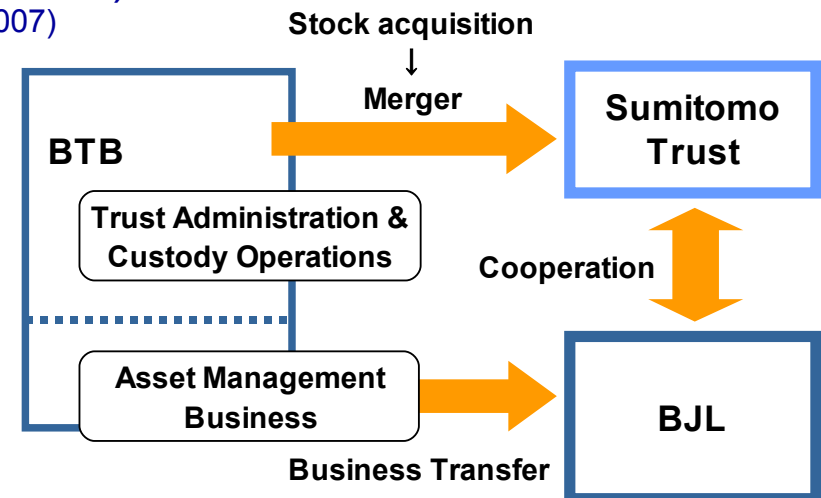
Expansion of trust administration business from corporate pension plans and public funds

<Acquisition structure>

After transfer of BTB’s asset management business to BGI Japan Limited (“BJL”), Sumitomo Trust will acquire all ordinary shares of BTB to succeed BTB’s trust administration and custody operation

<Schedule>

December 13, 2007	Execution of the merger agreement
January 31, 2008	Date of the stock acquisition
February 1, 2008	Effective date of the merger



Appendix



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First Credit and Life Housing Loan

- ▶ First Credit and Life Housing Loan increased new loan volume to achieve significant increase in profit
- ▶ First Credit achieved 4.5 billion net income after deduction of 2.7 billion goodwill amortization, combined with the write back of reserve from previous year

<First Credit>

(in billions of yen)	1HFY2007		1HFY2006
		Change	
Net business profit	5.7	1.3	4.3
Profit from loan business	7.9	0.4	7.5
G&A expense	2.1	-0.9	3.1
Net operating income	5.7	1.3	4.3
Net income	7.1	2.1	4.9
Credit cost (*)	-1.2	-2.2	1.0

(*) Net transfer to reserves.

Transaction of new loans	108.1	8.7	99.3
--------------------------	-------	-----	------

(in billions of yen)	Sep-07		Mar-07
		Change	
Total assets	207.6	37.9	169.7
Loans	185.2	32.5	152.6
Reserves	-7.0	1.3	-8.3
Shareholder's equity	43.7	7.1	36.6

<Life Housing Loan>

(in billions of yen)	1HFY2007		1HFY2006
		Change	
Net business profit	1.5	0.3	1.1
Profit from loan business	2.0	0.2	1.7
G&A expense	0.4	-0.0	0.5
Net operating income	1.6	0.4	1.1
Net income	0.9	0.3	0.6
Credit cost (*)	-0.0	-0.1	0.1

(*) Net transfer to reserves.

Transaction of new loans	15.6	2.0	13.5
--------------------------	------	-----	------

(in billions of yen)	Sep-07		Mar-07
		Change	
Total assets	113.6	10.6	103.0
Loans	105.7	10.2	95.5
Reserves	-0.5	0.0	-0.6
Shareholder's equity	6.3	0.9	5.3



STB Leasing and Sumishin Matsushita Financial Services

- ▶ Net income of STB Leasing decreased due to the increased credit costs, while Sumishin Matsushita Financial Services decreased due to the increased cost of funds
- ▶ Pursuing inter-group reorganization of both entities in 2008 to conduct integrated financing businesses

<STB Leasing>

(in billions of yen)	1HFY2007		1HFY2006
		Change	
Net business profit	2.4	-0.9	3.4
Gross profit from leasing business	5.7	0.5	5.1
Interest expense	2.2	0.7	1.5
G&A expenses	3.6	0.9	2.6
Net operating income	2.4	-0.9	3.4
Net income	1.3	-0.6	2.0

(in billions of yen)	Sep-07		Mar-07
		Change	
Total assets	545.9	25.5	520.4
Leasing assets	353.0	11.9	341.1
Installment receivables	95.7	4.7	91.0
Loans	43.0	-2.8	45.8
Shareholder's equity	47.3	1.0	46.3

<Sumishin Matsushita Financial Services>

(in billions of yen)	1HFY2007		1HFY2006
		Change	
Net business profit	1.5	-0.8	2.3
Gross profit from leasing business	3.5	-0.1	3.6
Interest expense	2.3	1.0	1.3
G&A expenses	8.5	-0.3	8.8
Net operating income	1.7	-0.8	2.5
Net income	1.3	-0.1	1.5

(in billions of yen)	Sep-07		Mar-07
		Change	
Total assets	599.5	-2.0	601.5
Leasing assets	358.9	1.5	357.3
Installment receivables	136.1	-3.2	139.4
Loans	72.5	1.0	71.5
Shareholder's equity	70.5	0.6	69.8



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3QFY2007 financial results



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3QFY2007 financial results (April 2007 – December 2007)

- ▶ <Non-consolidated> Net business profit ^(*1): Decreased by 6.3 billion yen from 3QFY2006 (1HFY2007: 6.0 decrease from 1HFY2006) ; increase in profits in treasury and financial products business covered decrease in sales volume of mutual fund and slower growth of loan demand
- ▶ <Non-consolidated> Net income: Decreased by 35.8 billion yen from 3QFY2006 mainly due to increase of losses related to international credit investment (Decreased by 23.5 billion yen in 1HFY2007 from 1HFY2006)

<Consolidated>	(in billions of Yen)	3QFY2007	3QFY2006	Change	% change
Net business profit before credit costs		148.5	151.1	-2.6	-2%
Net operating income		87.4	148.0	-60.6	-41%
Net income		53.8	98.5	-44.6	-45%

<Non-consolidated>	(in billions of Yen)				
Net business profit before credit costs		115.8	122.1	-6.3	-5%
Net interest income ^(*2)		116.6	114.5	2.1	2%
Net fees & commissions ^(*3)		78.6	73.5	5.0	7%
Other profits		16.1	23.4	-7.2	-31%
General and administrative expenses		95.6	89.4	6.2	-7%
Total credit costs		32.7	4.7	28.0	595%
(Including Losses related to international credit investment)		(51.0)	(4.7)	(46.3)	(983%)
Net operating income		62.5	121.6	-59.0	-49%
Extraordinary income		9.5	1.8	7.7	417%
Net income		45.5	81.3	-35.8	-44%



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

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

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

Forecast for FY2007 (announced in January 2008)

- ▶ Maintained forecast announced in November 2007 for net income and dividend
- ▶ Increase of total credit costs by 10 billion yen including losses related to international credit investment will be covered by sales of stocks

<Consolidated>	(in billions of Yen)	FY2006 (Actual)	FY2007	
			Previous forecast as of Nov. 2007	Forecast for FY2007
Net business profit before credit costs		215.4	215.0	215.0
Net operating profit		170.1	150.0	150.0
Net income		103.8	90.0	90.0
<Non-consolidated>				
Net business profit before credit costs		175.9	175.0	175.0
Total credit costs		40.5	50.0	30.0
(Including Losses related to international credit investment)		(40.5)	(50.0)	(60.0)
Net operating income		134.5	120.0	120.0
Extraordinary income		-2.0	10.0	10.0
Net income		81.8	80.0	80.0
Full year dividend per share (Yen)		17	17	17
Consolidated dividend payout ratio		27.4%	31.6%	31.6%

International credit business (3QFY2007)

- ▶ Outstanding balance of Asset-Backed securities with market price, mainly consisting of highly rated securities, was approximately 720 billion yen with -4.4% unrealized loss ratio (as of Dec. 2007)
- ▶ Reduction of SIV Capital notes has been steadily proceeded

【Status of investments by asset (as of Dec. 2007)】

Market price	Securities and loans *: Equity portion	Cost				Unrealized gains/ losses		Ratio of unrealized gains/ losses
		In total	North America	Europe	Change	In total	Change	
Available	Asset-Backed Securities	719.8	330.7	385.4	70.8	-31.9	-9.2	-4.4%
	RMBS (Residential properties)	268.8	27.0	239.2	37.0	-11.2	-5.7	-4.2%
	CMBS (Commercial properties)	44.9	1.0	43.9	12.4	-1.1	-0.3	-2.6%
	CLO (Corporate loans)	233.9	164.5	69.4	10.6	-10.4	-6.3	-4.5%
	Cards (Credit card receivables)	101.4	88.8	11.4	23.6	-3.7	-1.4	-3.7%
	Others	70.6	49.2	21.3	-12.9	-5.2	4.5	-7.4%
	SIV Capital notes *	19.8	19.8	-	-24.7	-1.5	7.1	-7.9%
	Corporate bonds	381.5	37.3	167.4	54.7	-7.1	-1.5	-1.9%
Not available	Corporate loans	325.2	194.3	70.7	-60.5			
	Other securities	102.8	71.2	19.0	1.2			
	Asset-Backed Securities	68.8	61.1	7.6	-0.1			
	CLO equities *	30.3	26.3	3.9	2.0			

To control the risk of SIV Capital notes, high grade mainly European ABS and financial debt (rated AA or better) of approximately 136 billion yen has been bought from SIV

Decrease of SIV Capital notes -24.7 billion yen
sales -11.8 billion yen
(realized loss -4.6 billion yen)
write off -12.9 billion yen

Reduction of exposure for corporate loans, mainly warehousing loan

Other than the above, STB Omega Investment Ltd., Sumitomo Trust's 75% owned subsidiary, holds 11.2 billion yen (cost basis) of CLO equities, of which unrealized loss is approximately 5.0 billion yen.

【Investment in assets mainly related to U.S. subprime mortgage loan】

(in billions of yen)	Dec. 2007		Change		Sep. 2007	
	Cost	Unrealized gains/ losses	Cost	Unrealized gains/ losses	Cost	Unrealized gains/ losses
RMBS (Residential properties)	17.9	-1.8	5.5	-1.2	12.4	-0.6

【Investments guaranteed by "Monoline" insurance companies】

(in billions of yen)	Dec. 2007		Change		Sep. 2007	
	Cost	Unrealized gains/ losses	Cost	Unrealized gains/ losses	Cost	Unrealized gains/ losses
Asset-Backed Securities	18.6	-0.8	10.5	-0.7	8.1	-0.0
Corporate bonds						

Other than above, we do not have any investments guaranteed by "Monoline" insurance company or derivative transactions such as CDS with them.

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.