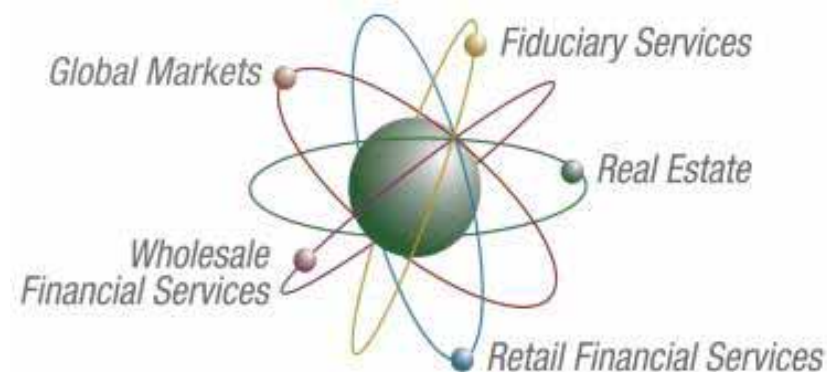




SUMITOMO
TRUST

住友信託銀行

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



**Acquisition of
Nikko Asset Management Co., Ltd.**

August 3, 2009

The acquisition of the shares of Nikko Asset Management Co., Ltd., which is described in this presentation material, is subject to regulatory approvals and permits. This presentation 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.

This presentation does not constitute an offer to sell or a solicitation of an offer to subscribe for or purchase any securities.

Acquisition of Nikko Asset Management (NikkoAM)

- ▶ Sumitomo Trust (STB) agreed to acquire NikkoAM (up to 98.55% of all outstanding shares) from Nikko Citi Holdings, Inc. and other shareholders for 112.4 billion yen
- ▶ Share purchase agreement signed on July 30, 2009 with closing expected on October 1, 2009



Acquisition concept

1. Complementary strengths in asset management: Establishment of a mutually complementary relationship between “Best Partners” based on STB’s strength in institutional asset management and NikkoAM’s strength in retail product development and its retail distribution channels
2. Strengthening STB’s trust and property management capabilities: Strengthening our trust and property management capabilities and platform, especially retail investment marketing capabilities through utilization of NikkoAM’s product development and marketing support capabilities
3. Increase NikkoAM’s corporate value: Increase NikkoAM’s corporate value and support its future IPO plans, by further developing our investment marketing and asset management businesses through utilization of NikkoAM’s brand and neutrality
=> STB, in principle, intends to remain the largest shareholder of NikkoAM even after its IPO

NikkoAM acquisition rationale

- ▶ Strengthening the capabilities and platform of three of the STB's four major trust and property management related functions : Investment marketing, Asset management and pensions, Asset brokerage and Securities processing and agency operations

STB's 5 major functions

NikkoAM acquisition rationale

4 major trust and property management related functions

(1) Investment marketing

(2) Asset management and Pensions

(3) Asset brokerage

(4) Securities processing and agency operations

(5) Banking

1. Drastically strengthen investment marketing of retail and wholesale client segments

2. Significant expansion of retail asset management

3. Expansion of securities processing through acquisition of entrusted stock investment trust business of new NikkoAM funds

(For reference)

(1) Investment marketing: provision of asset management products and consulting services to wholesale and retail clients

(2) Asset management and Pensions: structuring and management of investment products

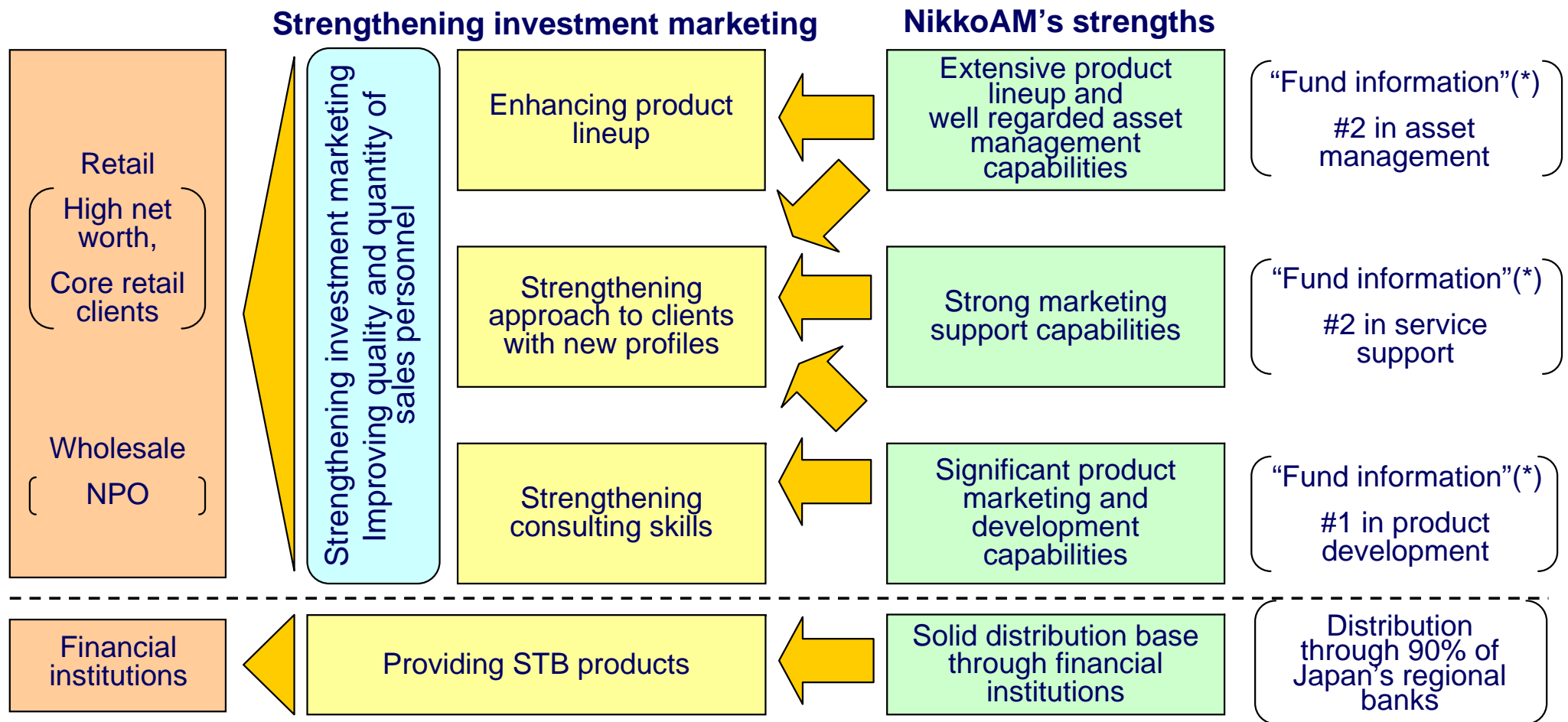
(3) Asset brokerage: real estate brokerage, liquidation and securitization of real estate, money claims and movable assets and M&A intermediation services

(4) Securities processing and agency operations: securities processing, stock transfer agency, global custody, will trust and estate settlement

(5) Banking: deposit and loan services, settlement services

Strengthening retail and wholesale investment marketing

- ▶ Utilizing NikkoAM's strengths in asset management, marketing support and product development
- ▶ Improving quality and quantity of sales personnel (30-40 people) to work on acquiring clients with new profiles and expanding client base



(*) "Fund information" issued by Rating & Investment Information Inc. on March 9, 2009 as to customer satisfaction survey of investment trust companies

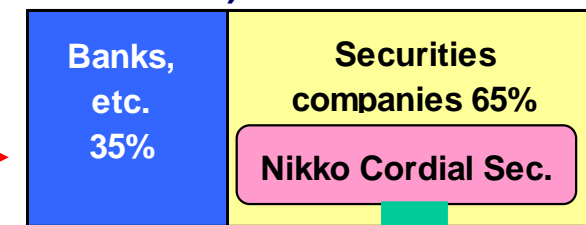
Strengthening asset management platform

- ▶ Acquisition of retail asset management platform with balanced distribution channels of banks and securities companies => Plans for an extensive alliance involving product marketing, sales support, etc. with Nikko Cordial Securities Inc., NikkoAM's core securities company distributor
- ▶ Capturing benefits from growth of the Asian market through NikkoAM's Chinese asset management joint venture, asset management in China using QFII quota, etc.
- ▶ Expanding outstanding entrusted stock investment trusts through NikkoAM's new funds

AUM (as of March 2009)

(trillion yen)	STB Group	NikkoAM	STB Group + NikkoAM
Retail investors (% of total AUM)	1.25 (4.9%)	5.90 (66.9%)	7.15 (20.7%)
Domestic institutional investors (% of total AUM)	24.47 (95.1%)	2.39 (27.1%)	26.86 (77.7%)
International institutional investors (% of total AUM)	0.01 (0.1%)	0.52 (6.0%)	0.53 (1.6%)
Total AUM	25.74	8.81	34.56

Investment trust distribution by channel (as of March 2009)



Plans for an extensive alliance policy with Nikko Cordial Securities, which is to join the Sumitomo Mitsui Financial Group

NikkoAM's Chinese AM JV (40% equity investment)

(billion yen)	FY 2007	FY 2008
Net income from affiliates by equity method	1.5	1.0

New funds (NikkoAM)

(billion yen)	FY 2006	FY 2007	FY 2008
# of funds	36	41	28
Net inflow	767.3	628.4	225.0

Financial effect on STB

- ▶ Limited effect of goodwill (approx. 76 billion yen) on STB's consolidated Tier I ratio of -0.5% (based on total risk-weighted assets as of March 2009)
- ▶ NikkoAM posted consolidated net income of 0.5 billion yen for the 1st quarter of FY 2009 (forecast was 0.3 billion yen) and AUM increased to 9.6 trillion yen as of end of June 2009

Acquisition price of Nikko AM and goodwill

- Acquisition price : 112.4 billion yen
 - Enterprise value : 87.7 billion yen (acquisition price less excess cash of 24.7 billion yen)
 - Goodwill : Approximately 76.0 billion yen (the amount may be adjusted based on mark to market adjustments on the date of acquisition)
- => Straight-line amortization over a period of 15 to 20 years is assumed at present

Effect on STB's consolidated BIS capital adequacy ratio and its consolidated Tier 1 ratio

- Both ratios will decrease by approximately 0.5% (calculated based on total risk-weighted assets as of March 2009)

NikkoAM's earnings forecast(*) (*Differing from the assumption of acquisition price by STB

	FY 2008A	1Q FY 2009A	FY 2009E	FY 2011E
AUM (trillions of yen)	8.8	9.6	9 ~ 11	11 ~ 15
Net income (billions of yen)	3.6	0.5	4.0 ~ 6.0	8.0 ~ 12.0

(Note) This forecast does not reflect an effect of one-time costs accompanied by the acquisition. These costs have been already adjusted in calculating the acquisition price, and will not have any effect on STB's consolidated earnings.



<For reference>

<Recent financial summary of NikkoAM (Consolidated)>

(Millions of Yen)

	FY2006	FY2007	FY2008
Operating revenue	75,368	93,449	61,275
Selling, general and administrative expenses	63,429	78,343	57,233
Operating income	11,938	15,106	4,042
Ordinary income	12,758	17,195	5,347
Income before income taxes	13,271	15,262	3,983
Net income	9,346	9,016	3,604
Total assets	64,032	65,974	54,461
Net assets	41,246	42,868	44,325
Total AUM (billions of yen)	11,881.2	11,490.1	8,817.6
of which, publicly offered domestic investment trust	7,708.7	7,226.6	5,275.6

