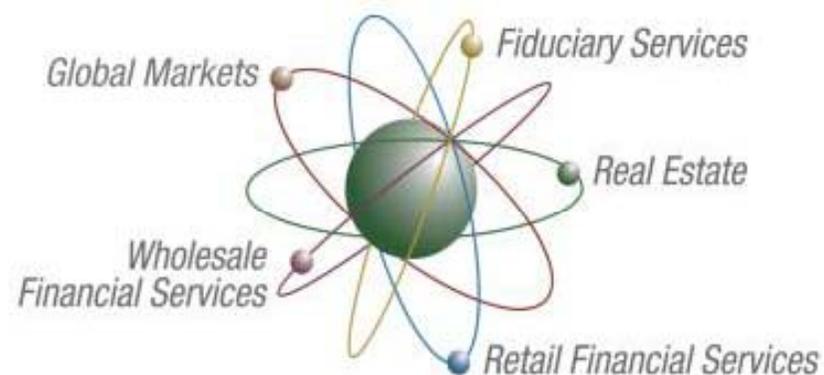




SUMITOMO  
TRUST 住友信託銀行

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



**Explanatory Material  
for  
Financial Results for 3QFY2010**

**February 3, 2011**

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.

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

# 3QFY2010 financial results and financial condition

# 3QFY2010 financial results (April 2010 – December 2010)

- Net business profit before credit costs (non-consolidated) decreased by 33.7 billion yen from 3QFY2009 (cumulative total) to 91.3 billion yen, mainly due to the disappearance of one-time contribution in the previous fiscal year (\*), the decrease in net interest income related to treasury and financial products, etc.

(\*) Dividend income from overseas SPV; 9.5 billion yen, gain on sales of international credit securities; 6.4 billion yen

- Net income (consolidated) increased by 24.6 billion yen from 3QFY2009 (cumulative total) to 76.8 billion yen, representing approx. 90% of the full FY2010 forecast, due to the decrease in total substantial credit costs, and income boosting factors resulting from the reorganization of subsidiaries (approx. 17.0 billion yen) in 2QFY2010, etc.

<Consolidated> (in billions of Yen)	3QFY2009	3QFY2010		Change (B) - (A)	(For reference) FY2010 Earnings forecast	
	Cumulative total (A)	1-2Q	3Q			Cumulative total (B)
Net business profit before credit costs	141.0	83.0	41.4	124.4	-16.5	175.0
(Total substantial credit costs) (*)	(-28.1)	(-9.9)	(-0.7)	(-10.6)	(17.4)	(-35.0)
Ordinary profit	92.1	61.5	37.6	99.1	7.0	120.0
Extraordinary profit	9.7	-9.1	0.1	-8.9	-18.6	---
Net income	52.2	54.0	22.8	76.8	24.6	85.0
<b>&lt;Non-Consolidated&gt; (in billions of Yen)</b>						
Net business profit before credit costs	125.1	60.4	30.9	91.3	-33.7	135.0
Net interest income (Incl. net trust fees from principal guaranteed trust a/c)	139.9	71.4	32.6	104.0	-35.8	---
Net fees and commissions (Incl. other trust fees)	59.4	41.7	17.5	59.2	-0.2	---
Other profits	21.2	11.8	11.3	23.1	1.8	---
Net gains on bonds	17.1	15.3	0.1	15.4	-1.6	---
Net gains from derivatives other than for trading or hedging	-4.6	-13.9	8.3	-5.5	-0.9	---
General and administrative expenses	-95.5	-64.5	-30.5	-95.1	0.4	---
Total credit costs	-14.4	3.8	-2.0	1.8	16.2	-20.0
(Total substantial credit costs) (*)	(-17.7)	(-3.6)	(-2.1)	(-5.8)	(11.9)	(-25.0)
Net gains on sales of stocks and other securities	-8.1	-2.9	0.7	-2.2	5.8	---
Ordinary profit	76.4	42.6	26.9	69.6	-6.8	90.0
Extraordinary profit	6.5	-11.8	-1.4	-13.3	-19.9	-15.0
Net income	50.5	48.4	15.6	64.1	13.6	75.0

## Contribution of major group companies to consolidated financial results

- ▶ Contribution to net business profit before credit costs (before consolidated adjustments, excluding one-time effect) increased by 6.9 billion yen from 3QFY2009 (cumulative total) to 34.3 billion yen, because of the recovering profit of real estate brokerage subsidiary, etc., in addition to the full 9 months contribution of Nikko Asset Management (“Nikko AM”), etc.
- ▶ Contribution to net income (before consolidated adjustments, excluding one-time effect) increased by 11.1 billion yen from 3QFY2009 (cumulative total) to 22.6 billion yen, due to the improvement of net business profit before credit costs, as well as the decrease in total substantial credit costs which include First Credit’s reversal of allowance for loan losses (resulting from collection) in 3QFY2010

(in billions of Yen)	Consolidated net business profit before credit costs			Consolidated net income before amortization of goodwill			Goodwill as of Dec. 2010	
	3QFY2009	3QFY2010	Change	3QFY2009	3QFY2010	Change	Amortization amount	Outstanding balance
	cumulative total	cumulative total		cumulative total	cumulative total		(cumulative total)	balance
Contribution of group companies (before consolidated adjustment)	27.4	34.3	6.9	20.4	13.7	-6.7	13.3	128.2
(Contribution exc. one-time effect(*1))	(27.4)	(34.3)	(6.9)	(11.5)	(22.6)	(11.1)	---	---
Sumishin Panasonic Financial Services (consolidated) (*2)	11.1	13.0	1.9	3.2	6.9	3.6	0.1	0.9
First Credit Corporation	3.7	0.9	-2.7	2.0	-6.3	-8.4	(*3) 8.2	(*3) 40.0
Sumishin Real Estate Loan & Finance	3.7	4.6	0.8	2.2	3.5	1.3	0.8	14.8
BUSINEXT CORPORATION	1.4	1.4	-0.0	-0.0	0.2	0.2	-	-
Japan TA Solution	-1.0	0.1	1.1	-0.8	0.0	0.8	-	-
Nikko Asset Management (consolidated)	1.7	6.1	4.4	1.0	4.0	3.0	(*4) 3.9	(*4) 72.0
(Results of 3rd quarter)	(1.7)	(2.0)	(0.3)	(1.0)	(1.4)	(0.3)	-	-
STB Asset Management	0.5	0.6	0.0	0.3	0.3	0.0	-	-
Sumitomo Trust and Banking (U.S.A.) (consolidated)	1.3	0.7	-0.5	0.8	0.4	-0.4	-	-
Japan Trustee Services Bank	-0.2	0.5	0.8	-0.2	0.3	0.5	-	-
Sumishin Realty	-0.4	0.5	0.9	-0.2	0.2	0.5	-	-
STB Real Estate Investment Management	0.4	0.3	-0.0	0.2	0.2	-0.0	-	-
SBI Sumishin Net Bank (consolidated)	0.9	1.2	0.3	0.8	1.2	0.3	-	-
Consolidated difference (after consolidated adjustment)	15.8	33.1	17.2	1.6	12.7	11.0	13.3	128.2

(\*1) 3QFY2009: net income of STB Finance Cayman Limited, 3QFY2010: reorganization of subsidiaries

(\*2) (Reference) 3QFY2009: simply combined the figures of former STB Leasing (consolidated) and former Sumishin Matsushita Financial Services

(\*3) A goodwill amortization amount of First Credit includes goodwill impairment loss (¥6.0 bn) in 2QFY2010 and its outstanding balance is after impairment.

(\*4) Include an amortization amount (¥0.7 bn) and outstanding balance (¥6.1 bn) related to affiliated companies



# Breakdown of profit by business

- ▶ Retail financial services: Gross business profit before credit costs (non-consolidated) decreased by 2.3 billion yen from 3QFY2009 (cumulative total), due to the decline in net interest income resulting from loan-deposit margin shrink, while sales fees of mutual fund and individual annuity increased
- ▶ Wholesale financial services: Gross business profit before credit costs (non-consolidated) decreased by 9.3 billion yen from 3QFY2009 (cumulative total) because of disappearance of a gain on sales of international credit securities (6.4 billion yen) in the previous fiscal year, etc.
- ▶ Treasury and financial products: Gross business profit before credit costs (non-consolidated) decreased by 17.2 billion yen from 3QFY2009 (cumulative total) due to the reduced interest rate risks of Japanese and foreign bonds

(in billions of Yen)	<Non-consolidated>						<Consolidated>				
	Gross business profit before credit costs			<Reference>			Net business profit before credit costs		Net business profit before credit costs		
	1-2Q	3Q	3QFY2010 Cumulative total	Change fm 3QFY2009 cumulative total	FY2010 Earnings forecast	3Q	3QFY2010 Cumulative total	Change fm 3QFY2009 cumulative total	3Q	3QFY2010 Cumulative total	Change fm 3QFY2009 cumulative total
Retail financial services	36.4	15.8	52.1	-2.3	75.0	0.4	5.9	-3.4	1.4	8.6	-3.1
Wholesale financial services	45.6	19.5	65.1	-9.3	95.0	12.6	43.2	-9.7	18.7	63.8	-6.9
Stock transfer agency services	7.3	3.2	10.4	-0.4	---	1.2	4.1	-0.8	1.1	4.2	0.2
Treasury and financial products	23.6	22.7	46.3	-17.2	53.0	20.4	39.6	-17.2	20.4	39.6	-17.2
Fiduciary services	23.3	11.3	34.6	-0.7	50.0	3.8	11.9	-0.9	6.4	20.1	3.5
Pension trust management	17.5	8.4	26.0	-0.5	---	2.7	8.6	-0.5	5.0	15.4	3.9
Securities processing services	5.8	2.8	8.6	-0.1	---	1.1	3.4	-0.4	1.3	4.7	-0.4
Real Estate	6.5	1.7	8.2	1.8	19.0	0.3	3.8	2.1	0.4	4.6	3.1
Fees paid for outsourcing	-11.5	-5.4	-17.0	-1.0	-22.0	---	---	---	---	---	---
Others (*)	1.1	-4.1	-2.9	-5.3	-5.0	-6.5	-13.1	-4.5	-5.8	-12.3	4.1
<b>Total</b>	<b>124.9</b>	<b>61.5</b>	<b>186.4</b>	<b>-34.1</b>	<b>265.0</b>	<b>30.9</b>	<b>91.3</b>	<b>-33.7</b>	<b>41.4</b>	<b>124.4</b>	<b>-16.5</b>

(\*) Include cost of capital funding, dividend of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.  
 Include dividend income resulting from the gain on retirement of perpetual subordinated bonds (¥9.5 bn) on gross business profit before credit costs and net business profit before credit costs for 3QFY2009 on non-consolidated basis.

# Fee revenue breakdown

- ▶ Fee revenue of mutual fund and individual annuity increased by 2.2 billion yen from 3QFY2009 (cumulative total) mainly due to the increase in sales fees resulting from the expanding sales volume of mutual fund (+67.1 billion yen from 3QFY2009 (cumulative total))
- ▶ Fees of real estate related business on a group basis increased by 2.5 billion yen from 3QFY2009 (cumulative total), as brokerage transaction of residential and small-sized properties posted steady recovery, while the recovery of commercial brokerage transaction lagged behind

## <Mutual fund/ individual annuity; Sales volume and fees> (Non- consolidated)

(in billions of Yen)	3QFY2010			Change fm. 3QFY2009 cumulative total	2HFY2009
	1-2Q	3Q	Cumulative total		
Mutual fund	130.3	91.4	221.8	67.1	133.9
Fund Wrap, SMA	14.8	9.2	24.1	11.8	12.0
Annuity	77.3	12.2	89.5	12.3	82.7
<b>Total</b>	<b>222.5</b>	<b>112.9</b>	<b>335.5</b>	<b>91.2</b>	<b>228.7</b>
Sales fees	5.6	2.5	8.2	1.9	5.8
Administrative fees	4.0	1.9	6.0	0.3	3.9
<b>Total</b>	<b>9.7</b>	<b>4.5</b>	<b>14.2</b>	<b>2.2</b>	<b>9.8</b>

## <Mutual fund/ individual annuity; Sales balance> (Non- consolidated)

(in billions of Yen)	Dec. 2010			Sep. 2010	Mar. 2010
		Change fm. Sep 2010	Change fm. Mar 2010		
Mutual fund	1,014.3	- 2.7	- 61.1	1,017.1	1,075.5
Fund Wrap, SMA	46.5	3.6	16.6	42.9	29.8
Annuity	767.1	16.4	75.4	750.7	691.6
<b>Total</b>	<b>1,828.0</b>	<b>17.2</b>	<b>30.9</b>	<b>1,810.7</b>	<b>1,797.1</b>

## <Fees of real estate related business>

(Group basis)

(in billions of Yen)	3QFY2010			Change from 3QFY 2009 cumulative total	3QFY2009			Full FY2009
	1-2Q	3Q	Cumulative total		1-2Q	3Q	Cumulative total	
Brokerage (Commercial)	3.7	0.6	4.4	1.5	1.8	0.9	2.8	5.1
Brokerage (Residential)	3.9	2.0	6.0	0.9	3.3	1.7	5.1	7.5
Securitization	2.3	1.0	3.3	0.0	2.2	1.0	3.3	4.7
Asset management	0.6	0.2	0.9	- 0.0	0.7	0.3	1.0	1.4
<b>Total</b>	<b>10.7</b>	<b>4.1</b>	<b>14.8</b>	<b>2.5</b>	<b>8.2</b>	<b>4.0</b>	<b>12.3</b>	<b>18.8</b>

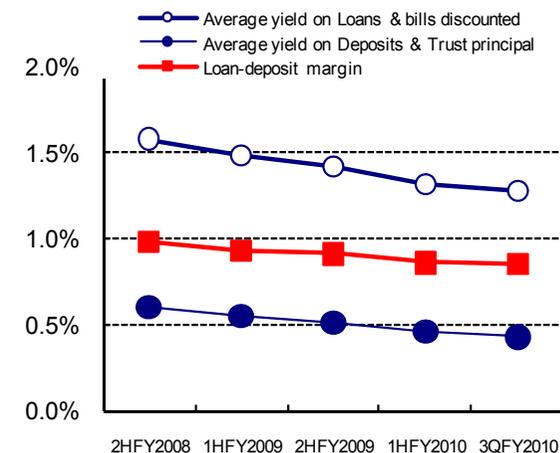


# Breakdown of net interest income (Non-consolidated)

- ▶ Loan-deposit margin of 3QFY2010 (alone) declined by 1bp from 1HFY2010 to 0.85%. Downward trend in loan-deposit margin is ceasing
- ▶ Net interest income decreased by 34.5 billion yen from 3QFY2009 (cumulative total) due to the disappearance of dividend income from overseas SPV (2QFY2009: 9.5 billion yen) and swap termination profit (3QFY2009: 11.0 billion yen), etc.

## <Loan-deposit margin (domestic banking a/c) >

	3QFY2010				3QFY2009		
	Cumulative total	3Q	1 - 2Q	Change fm 3QFY2009 cumulative total	Cumulative total	3Q	1 - 2Q
Average yield on Loans & bills discounted	1.31%	1.28%	1.32%	-0.16%	1.47%	1.44%	1.48%
Average yield on Deposits & Trust principal	0.45%	0.43%	0.46%	-0.09%	0.54%	0.52%	0.55%
Loan-deposit margin	0.86%	0.85%	0.86%	-0.07%	0.93%	0.92%	0.93%



## <Breakdown of net interest income (Banking a/c) >

	3QFY2010 (cumulative total)			3QFY2009 (cumulative total)			Change		
	Income	Average balance	Yield	Income	Average balance	Yield	Income	Average balance	Yield
Domestic	89.6			95.1			-5.5		
Interest income	139.7	14.85	1.24%	157.0	15.11	1.37%	-17.2	-0.25	-0.13%
Loans	100.0	10.11	1.31%	113.7	10.24	1.47%	-13.6	-0.12	-0.16%
Securities, etc.	22.4	3.04	0.97%	28.0	2.90	1.28%	-5.5	0.14	-0.31%
Interest expenses	50.1	14.61	0.45%	61.8	15.19	0.54%	-11.7	-0.57	-0.09%
Deposits, etc.	37.0	10.83	0.45%	45.6	11.14	0.54%	-8.6	-0.31	-0.09%
International	11.5			40.4			-28.9		
Net interest income	101.1			135.6			-34.5		

- Japanese Government bonds -6.0 bn (13.0 bn → 7.0 bn)  
 - Redemption profit of mutual funds 0.0 bn (4.0 bn → 4.0 bn)

- Securities -22.0 bn (43.0 bn → 21.0 bn)  
 [ Dividend income from an overseas SPV -9.5 bn ]  
 - Swaps -11.5 bn (8.5 bn → -3.0 bn)  
 [ Swap termination profit from unwinding JGB portfolio with asset swaps -11.0 bn ]

\*stated in round numbers

## Breakdown of total substantial credit costs

- ▶ Total substantial credit costs (consolidated) significantly improved on both bank and group company levels from 3QFY2009 (cumulative total) to -10.6 billion yen
- ▶ As to non-consolidated domestic factors (3QFY2010 alone), total substantial credit costs stood at a low level of -1.9 billion yen, as the reversal of allowance for loan losses resulting from the decreased balance of loans to special mention debtors as well as upgrades of debtors, etc. covered most of the provisions, etc. for new non-performing loans
- ▶ As to non-consolidated overseas factors, as well as those of group companies (3QFY2010 alone), new non-performing loans remained at low levels

(in billions of Yen)	3QFY2009	3QFY2010		Major factors (Oct. to Dec. 2010)	
	Cumulative total	Cumulative total	1-2Q		3Q
Consolidated	-28.1	-10.6	-9.9	-0.7	(Improved by 17.4 bn yen from 3QFY2009 (cumulative total) )
Non-consolidated	-17.7	-5.8	-3.6	-2.1	(Improved by 11.9 bn yen from 3QFY2009 (cumulative total) )
Domestic factors	-11.3	-1.6	0.3	-1.9	
Total credit costs	-11.3	1.2	3.4	-2.1	
General allowance for loan losses	6.3	13.5	6.5	7.0	Reversal of allowance for loan losses resulting from the decreased balance of loans to special mention debtors, etc. covered most of the provisions, etc. for new non-performing loans; -2.1
Specific allowance for loan losses	-0.9	-11.3	-2.4	-8.9	
Written off and losses on sales of loans	-17.5	-1.8	-1.2	-0.6	
Overseas factors	-6.4	-4.1	-4.0	-0.1	
Total credit costs	-3.0	0.5	0.4	0.0	
Others	-2.7	-4.7	-4.4	-0.2	
Losses related to international credit securities	-2.7	-4.9	-4.7	-0.2	
Group companies	-10.4	-4.8	-6.2	1.4	(Improved by 5.5 bn yen from 3QFY2009 (cumulative total) )
Sumishin Panasonic Financial Services	-6.4	1.1	1.3	-0.1	
First Credit Corporation	-1.2	-4.2	-5.8	1.5	Reversal of allowance for loan losses due to collection +1.5



## Non-performing loans and migration analysis (October 2010 – December 2010)

- ▶ The total balance of assets classified under the Financial Reconstruction Law increased by 14.1 billion yen from September 2010 mainly due to the increase in the balance of doubtful loans, and its ratio to the total loan balance stood at 1.5%. Loans to special mention debtors decreased by 109.0 billion yen from September 2010 to 404.8 billion yen mainly due to the upgrades and repayments of some of the clients
- ▶ Coverage ratio (collateral values and allowance for loan losses divided by corresponding asset balances) as of December 2010 for doubtful loans and substandard loans stood at 89% and 72%, respectively, all of which represent sufficient levels

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

(in billions of Yen)	Dec. 2010				
		Coverage ratio <sup>(*6)</sup>	Reserve ratio <sup>(*7)</sup>	Change fm Sep 2010	Change fm Mar 2010
Assets classified under the Financial Reconstruction Law	175.6	82%	55%	14.1	-0.9
Loans in bankrupt and practically bankrupt	8.3	100%	100%	-2.0	-9.3
Doubtful loans	83.8	89%	76%	17.0	22.5
Substandard Loan	83.5	72%	18%	-0.9	-14.1
<For reference> Loans to substandard debtors	(113.4)	---	---	(-1.0)	(-21.7)
Ratio to total loan balance	1.5%	---	---	0.2%	0.1%
Special mention (exc. Substandard)	404.8	---	---	-109.0	-219.4

(\*6) Coverage ratio for loan balance which is secured by collateral value and allowance for loan losses

(\*7) Reserve ratio for uncovered portion of loan balance (remaining loan balance after deduction of collateral value)

<Major factors of change from Sep. 2010>

(in billions of Yen)

(\*1) Manufacturing (approx. 28.0), etc.

(\*2) Real estate (approx. 11.0), Manufacturing (approx. 4.5), etc.

(\*3) Manufacturing (approx. 54.0), Real estate (approx. 8.0), etc.

(\*4) Transport and postal activities (approx. 12.5), etc.

(\*5) Finance and insurance (approx. 15.0), Real estate (approx. 7.0), Manufacturing (approx. 4.5), etc.

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

(in billions of Yen)	Sep. 2010	Dec. 2010	Change	Downgrade	Downgrade	Upgrade	Upgrade	Repayment, etc.
				(+)	(-)	(+)	(-)	
Loans in bankrupt and practically bankrupt	10.3	8.3	-2.0	0.3	-	-	-0.5	-1.8
Doubtful loans	66.8	83.8	17.0	(*1) 31.0	-0.2	0.2	-0.5	(*4) -13.6
Loans to substandard debtors	114.4	113.4	-1.0	0.6	-0.3	0.3	-0.1	-1.5
Loans to special mention debtors (exc. Loans to substandard debtors)	483.8	374.9	-108.9	(*2) 20.6	(*1) -31.2	0.5	(*3) -65.4	(*5) -33.4



# Securities portfolio and interest rate risk (December 2010)

- ▶ Unrealized gains/ losses of "Available-for-sale securities" improved by 10.5 billion yen from September 2010 to 69.1 billion yen mainly due to the recovery of share prices
- ▶ The balance of debt securities portfolio held by the treasury and financial products business increased centering on foreign bonds, while interest rate risk of the portfolio remained at a relatively low level

<Balance and Unrealized gains/ losses of securities for which market prices are available (Consolidated; after devaluation)>

(in billions of Yen)	Market value			Book value			Unrealized gains/ losses		
	Dec-10	Sep-10	Change	Dec-10	Sep-10	Change	Dec-10	Sep-10	Change
Held-to-maturity debt securities	481.0	542.9	-61.9	432.7	491.6	-58.9	48.3	51.2	-2.9
Japanese Government bonds	198.6	220.3	-21.7	189.8	209.8	-20.0	8.8	10.5	-1.7
Foreign bonds (Note)	277.4	296.6	-19.2	237.9	255.9	-18.0	39.5	40.7	-1.2
(International credit securities)	(248.3)	(267.9)	(-19.5)	(210.2)	(228.3)	(-18.0)	(38.0)	(39.5)	(-1.5)

(Note) Unamortized balance of unrealized loss on asset-backed securities which were reclassified from "Available-for-sale securities" to "Held-to-maturity debt securities" ; -61.1 bn yen as of Dec. 2010, -66.4 bn yen as of Sep. 2010

(in billions of Yen)	Book value			Cost			Unrealized gains/ losses		
	Dec-10	Sep-10	Change	Dec-10	Sep-10	Change	Dec-10	Sep-10	Change
Available-for-sale securities	3,638.6	3,157.7	480.8	3,569.4	3,099.1	470.2	69.1	58.6	10.5
Stocks	478.5	454.1	24.3	429.8	429.0	0.8	48.6	25.1	23.5
Japanese Government bonds	1,340.7	1,267.6	73.0	1,320.3	1,245.5	74.8	20.4	22.1	-1.7
Foreign bonds	903.1	601.9	301.1	905.1	589.9	315.2	-1.9	12.0	-14.0
(International credit securities)	(152.2)	(185.0)	(-32.8)	(139.5)	(171.9)	(-32.3)	(12.6)	(13.1)	(-0.4)
Others	453.9	423.3	30.5	453.9	426.6	27.2	0.0	-3.2	3.3

<Debt securities portfolio of treasury and financial products business (Non-consolidated) (\*1)>

(in billions of Yen)	Cost			Unrealized gains/ losses			10BPV(*2)			Duration(*2)		
	Dec-10	Sep-10	Change	Dec-10	Sep-10	Change	Dec-10	Sep-10	Change	Dec-10	Sep-10	Change
JPY	1,619.3	1,575.8	43.5	30.6	35.2	-4.6	4.2	3.2	1.0	2.5	1.9	0.6
Other	633.5	285.7	347.8	-9.4	6.1	-15.5	3.2	1.2	2.0	5.8	4.4	1.4
USD	507.0	199.3	307.7	-7.8	5.0	-12.9	2.9	1.0	1.8	6.4	5.1	1.3
EUR, etc.	126.5	86.4	40.0	-1.5	1.0	-2.6	0.3	0.1	0.2	4.0	3.0	1.0

(\*1) Managerial reporting basis; "Held-to-maturity debt securities" and "Available-for-sale securities" are combined.

(\*2) Figures as of December 2010 are calculated excluding foreign bonds (\$1,182 million) which are individually hedged by asset swaps.

Strengthen group strategy

## Enhancement of investment capability and investment marketing in Asia-pacific region (1)

- ▶ Nikko AM plans to acquire asset management companies in Australia and New Zealand, Tyndall Investments (“Tyndall”, AUM: approx. 2.0 trillion yen), and that in Singapore, Hong-Kong and Malaysia, DBS Asset Management (“DBS AM”, AUM: approx. 0.7 trillion yen), both in March 2011 (scheduled)
- ➔ Significantly strengthen investment capabilities and distribution networks in Asia-pacific region

### Tyndall

<Transferor of shares> Suncorp (the Australian financial conglomerate)

<Acquisition amount> AUD 80 million (approx. JPY 6.5 billion, 1 AUD = JPY 81.03)

<AUM> AUD 24.64 billion (approx. 1,997.0 billion yen)

### DBS AM

<Transferor of shares> DBS Bank (the biggest bank in Singapore)

<Acquisition amount> SGD 137 million (approx. JPY 8.7 billion, 1SGD = JPY 63.50)

➔ Out of this, SGD 63 million (4.0 billion yen) is excess cash, etc.

<AUM> SGD 11.56 billion (approx. 734.0 billion yen)

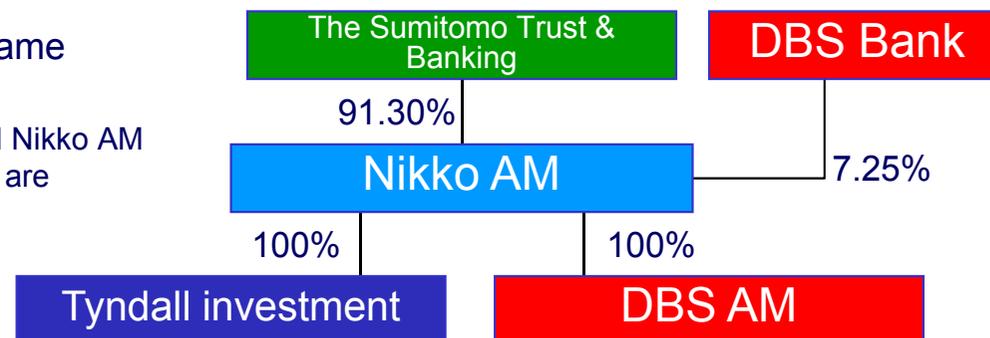
(\*) An affiliated company of DBS AM in China mainland is excluded from the acquisition

### <Profits of Tyndall and DBS AM>

	Net income			
	FY2008 (Actual)	FY2009 (Actual)	FY2010 (Forecast)	FY2011 (Plan)
(in billions of Yen)				
Tyndall	0.64	0.70	0.65	0.70
DBS AM	0.38	-0.17	0.00	0.25

➤ DBS Bank will acquire 7.25% of Nikko AM shares at the same acquisition amount

(DBS Bank has an option to acquire a maximum of 1.50% of additional Nikko AM shares, depending on DBS Bank’s sales volume of mutual funds which are managed by Nikko AM)



## Enhancement of investment capability and investment marketing in Asia-pacific region (2)

- ▶ Through the acquisition of Tyndall and DBS AM, AUM of Nikko AM Group will increase from approx. 10.3 trillion yen as of Dec. 2010 to approx. 13.0 trillion yen (+ approx. 27%), pushing up the international composition to 28% of total AUM from 9%
- ▶ Nikko AM executed a sales and marketing agreement with Suncorp, as well as a distribution agreement with DBS Bank
  - ➔ Provide Nikko AM's products in Asia-pacific region through the networks of Suncorp Bank and DBS Bank
- ▶ STB group is considering to develop a broader business relationship with DBS Bank

### <AUM, as of December 2010>

(in trillions of Yen)	Nikko AM		+	Tyndall	DBS AM	➔	In total	
	AUM	Composition ratio		AUM	AUM		AUM	Composition ratio
Domestic retail investors	7.08	69%					7.08	55%
Domestic institutional investors	2.21	22%					2.21	17%
International institutional investors	0.96	9%		1.99	0.73		3.69	28%
<b>Total AUM</b>	<b>10.26</b>	<b>100%</b>		<b>1.99</b>	<b>0.73</b>		<b>12.99</b>	<b>100%</b>

### <Branch network of Suncorp, as of April 2010>

	Number of branches
Australia	168

### <Branch network of DBS Bank (\*1), as of March 2010>

	Number of branches
Asia (*2)	253

(\*1) Include the number of sub branches

(\*2) Singapore: 80, Hong-Kong: 58, Indonesia: 45, Taiwan: 40.  
China: 15, India: 10, Others: 5



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