

Company

The Sumitomo Trust and Banking Co., Ltd.

Information

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July 25, 2003

Financial Information of 1st Quarter of Fiscal Year 2003

The Sumitomo Trust and Banking Company, Limited (hereinafter, "the Bank") announces its financial information of 1st quarter of fiscal year 2003 ended June 30, 2003. The information below is voluntarily disclosed, based on "Front-Loaded Reform Program" announced by Government Committee and "The Project for Structural Reform of the Securities Market" announced by FSA.

Note: The financial information below is unaudited.

1. Assets Classified under Financial Reconstruction Law (Non-consolidated)

Banking Account

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Loans in Bankruptcy and Practical Bankruptcy	21.4	22.0	50.2
Doubtful Loans	156.8	159.8	219.5
Substandard Loans	154.0	156.6	171.5
Total	332.1	338.4	441.2

Trust Account (Principal Guaranteed)

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Loans in Bankruptcy and Practical Bankruptcy	6.6	7.1	9.8
Doubtful Loans	14.6	16.9	26.0
Substandard Loans	38.3	39.9	69.0
Total	59.5	63.8	104.7

Banking and Trust Account

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Loans in Bankruptcy and Practical Bankruptcy	28.0	29.0	60.0
Doubtful Loans	171.3	176.7	245.4
Substandard Loans	192.2	196.5	240.5
Total	391.6	402.2	545.9

Note:

1. Loans in Bankruptcy and practical Bankruptcy, Doubtful Loans
 - (a) As for these categories for June 2003, the Bank reclassified the debtors who exhibited significant financial deterioration during the 1st quarter such as failed repayment, negative networth or a significant sales decline, in addition to bankruptcy and bills dishonored. As for these categories for December 2002, the Bank only reclassified the debtors who were bankrupt or bills dishonored during the 3rd quarter.

- (b) The figures are before write-off and cash reserve, and do not reflect the changes in the liquidation estimate of collateral. However, the amount of collection and sales to third parties during the quarter is taken into account.
2. Substandard Loans
- (a) As for this category for June 2003, the Bank revised the figures by identifying debtors who had been classified either in "Special Mention" or "Ordinary" category at the end of semi-annual fiscal term, but thereafter became 3-month overdue or given mitigation to terms and conditions of loans.
- The figures reflect the increases along with new lending and decreases due to collection.

***Classification under Financial Reconstruction Law / Debtor-classification under Self-Assessment Compared**

Financial Reconstruction Law	Self-Assessment
Loans in Bankruptcy and Practical Bankruptcy	Legally Bankrupt ("Hatan") and Virtually Bankrupt ("Jissitsu-Hatan")
Doubtful Loans	Potentially Bankrupt ("Hatan-Kenen")
Substandard Loans	Principal or interest 3-month overdue, or terms conditions mitigated among Special Mention ("Yo-Chui")

2. Loans to Debtors in "Special Mention" and "Ordinary" Category (Non-consolidated)

(Debtor Classification under Self-Assessment)

Banking and Trust Account

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Substandard	202.8	209.5	278.7
Special Mention excluding Substandard	661.7	703.2	861.1
Ordinary	9,543.2	10,048.4	9,744.3

3. BIS Capital Adequacy Ratio Forecast (Consolidated)

	Sep. 2003	Mar. 2003 (Actual)
Capital Adequacy Ratio	11.0 – 11.5%	10.48%
Tier I Ratio	6.0 – 6.5%	6.09%

Note: 1. Forecast is subject to change.

2. Forecast is based on the value of stocks calculated by using the average market price during the last one month of the 1st quarter.

4. Securities Market Value Information (Non-consolidated)

(Excluding securities whose market values are not available)

Banking Account

	Billions of Yen											
	Jun. 2003				Mar. 2003				Dec. 2002			
	Market Value	Unrealized Gain			Market Value	Unrealized Gain			Market Value	Unrealized Gain		
		Net	Gains	Losses		Net	Gains	Losses		Net	Gains	Losses
Stocks	546.2	-12.6	62.2	74.9	525.1	-63.6	35.3	99.0	624.1	-193.6	35.0	228.6
Japanese Bonds	1,419.8	-1.9	7.2	9.1	1,103.3	8.4	8.5	0.0	1,123.5	8.4	9.7	1.3
Others	1,873.9	33.3	47.2	13.9	1,606.9	35.6	47.1	11.4	1,907.6	45.5	54.5	9.0
Total	3,840.0	18.7	116.7	97.9	3,235.4	-19.5	91.0	110.6	3,655.4	-139.6	99.3	239.0

Note:

- Values are calculated by using the average market prices during the last one month of the 1st quarter as for "Stocks," and by using the market prices at the end of 1st quarter as for "Japanese bonds" and "Others."
- There are no investments in subsidiaries and affiliates with market price.
- "Others" represents mainly US Treasury Bonds/Notes and German Bunds.
- Figures for Jun. 2003 and Dec. 2002 are before amortization/accumulation and devaluation. Devaluation for Mar. 2003 was 95.6 billion yen.

5. Unrealized Gains/Losses on Financial Derivatives to be reflected upon the Statement of Income (Non-consolidated)

(Including derivatives on Trading Account)

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Interest Rate Related Transactions	11.0	4.4	5.4
Stock Related Transactions	-0.4	0.0	0.1
Bond Related Transactions	3.3	-0.2	0.1
Currency Related Transactions	8.5	3.2	3.1
Credit Derivative Transactions	-0.2	-0.1	0.0
Total	22.2	7.3	8.9

Note: Due to the change in the hedge accounting for Banks in Japan, derivative transactions which had been applied with the previous hedge accounting rules but has not been applied with the new rules, are included in the above figures. Deferred unrealized losses as permitted by the new hedge accounting rules in the amount of 17.1 billion yen are included in the above figures.

6. Unrealized Gains/Losses on Financial Derivatives as Hedge Tool and Financial Derivatives Calculated on the Accrual Basis (Non-consolidated)

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Interest Rate Related Transactions	-20.2	-36.1	-34.2
Bond Related Transactions	-	0.1	-26.6
Currency Related Transactions	0.7	-	-
Total	-19.4	-36.0	-60.9

7. Unwinding of Cross-Shareholding (Non-consolidated, Cost basis)

Billions of Yen	
Projection for FY2003	As of Jun. 2003
150.0	30.0

8. Ending Balance of Domestic Loans (Non-consolidated)

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Trust Account (Principal Guaranteed)	1,444.5	1,543.9	1,720.4
Banking Account	8,306.3	8,760.6	8,556.9
Total	9,750.8	10,304.6	10,277.4

9. Ending Balance of Principal Guaranteed Trust and Domestic Deposits (Non-consolidated)

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Trust A/C (Principal Guaranteed)	2,831.7	3,079.4	3,242.6
Individuals	2,278.6	2,423.4	2,623.5
Corporations and other organizations	553.1	656.0	619.1
Banking A/C	8,029.1	7,941.8	7,492.7
Individuals	5,574.9	5,395.5	5,193.3
Corporations and other organizations	2,454.1	2,546.2	2,299.3
Total	10,860.8	11,021.3	10,735.3

10. Volume of Entrusted Assets (Non-consolidated)

	Billions of Yen		
	Jun. 2003	Mar. 2003	Dec. 2002
Money Trust	18,159.5	20,108.2	19,203.7
Pension Trust	4,918.5	5,477.8	5,702.5
Securities Asset Management Trust	6,559.2	6,804.6	7,427.1
Securities Trust	8,866.9	8,430.2	8,733.4

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