

October 26, 2009

(For reference)

The Sumitomo Trust and Banking Co., Ltd.

**Capital participation in the company established for engaging
in energy-saving and eco-business in China**

~First case for a Japanese company to make capital participation
in a joint venture with a Chinese company
to engage in the energy-saving and eco-business~

The Sumitomo Trust and Banking Co., Ltd. (President and CEO: Hitoshi Tsunekage; “STB”) has made capital participation in the Techno-Power Eco-Energy Company Limited(*1) established in Hong Kong jointly with QualiSys Management Consultancy (HK) Company Limited(*2) and others, in order to conduct ESCO (Energy Service Company)(*3) activities related to energy-saving and eco-business so as to put to use the leading environmental technologies of Japanese companies in the field of energy-saving and eco-business in China which is expected to achieve considerable growth. This is the first time for a Japanese company to set up a joint-venture with a Chinese company for the purpose of engaging in ESCO activities.

The Techno-Power Eco-Energy Company Limited is applying to the competent authorities in Beijing for permission to establish a subsidiary in China (“New Company”) to expand energy-saving and eco-business activities throughout China.

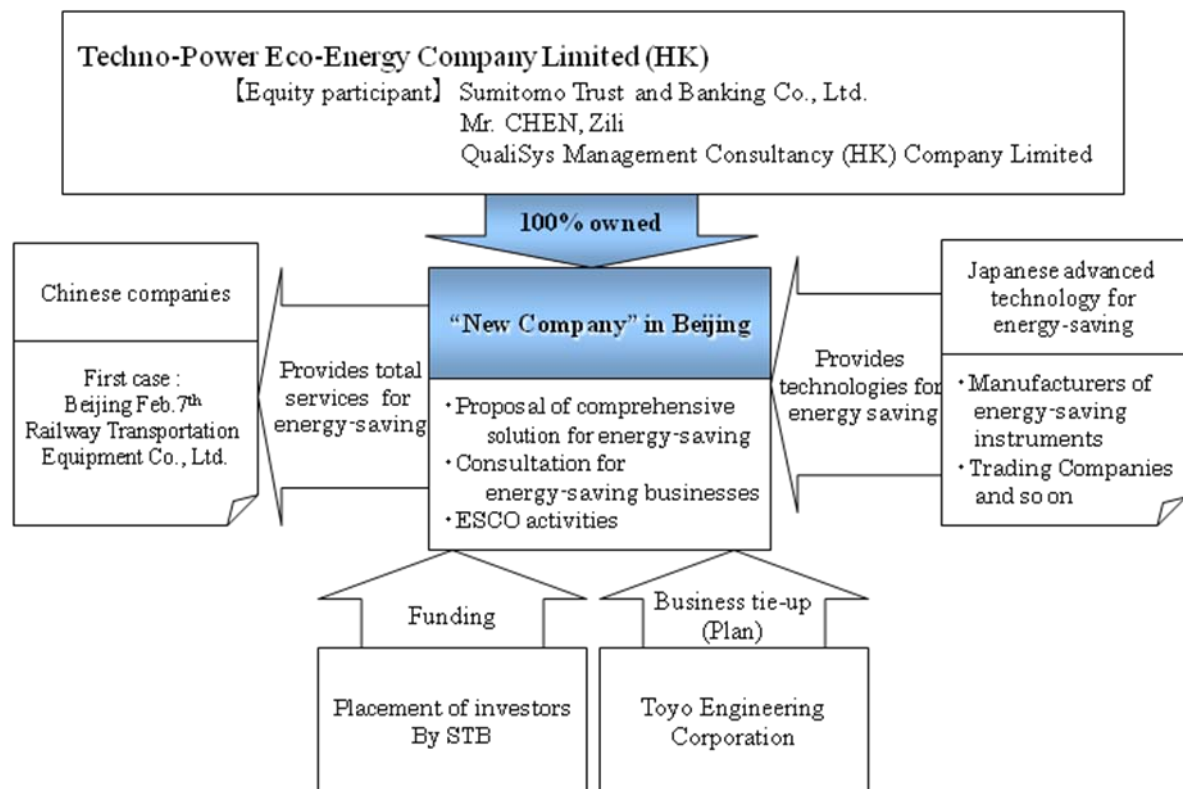
The Techno-Power Eco-Energy Company Limited has agreed to conclude a contract concerning ESCO activities with Beijing Feb.7th Railway Transportation Equipment Co., Ltd., which is a major Chinese national locomotive manufacturer belonging to the China Northern Locomotive and Rolling Stock Industry (Group) Corporation. This contract includes a menu of measures to apply the advanced technologies of Japanese companies, such as Idemitsu Kosan Co., Ltd., to improve the combustion rate of coal-burning boilers installed in factories. New Company will propose the same menu of energy-saving measures for use to the factories of other major national locomotive manufacturers.

In addition, New Company is expected to enter into a contract for a business tie-up with Toyo Engineering Corporation. Through this contract, New Company plans to promote energy-saving centering on large state-owned corporations, such as providing petro-chemical plants with the energy-saving technologies that are the specialty of Toyo Engineering, and to further develop its eco-business activities in the fields other than energy-saving.

STB will not only invest in this project, but also back the business expansion of New Company by putting to best use its expertise as a financial institution through the placement of investors and so on, and at the same time, will build a financial business model related to that field. STB is actively promoting this project as part of its Eco-Trusutution(*4) activities that include the introduction in China of the advanced energy-saving technologies of Japanese leading companies, as well as those of medium and small-size companies using its customers network.

STB's Shanghai Branch has been allowed to deal in the Renminbi currency. STB has become the only Japanese bank to acquire the license of Qualified Foreign Institutional Investors (QFII), and is now planning to set up a Chinese SRI fund. STB continues to focus its strengths on business in Asia centering on China.

(Overview)



(*1) Techno-Power Eco-Energy Company Limited

Capital: 7.98 million HK\$ (approximately 100 million yen)

Name of representative: CHEN, Zili

(Current vice-president of STB Consulting (China) Co., Ltd.)

STB's equity ratio: 41.98% (34.98% of nonvoting share and 7% of voting share)

(*2) QualiSys Management Consultancy (HK) Company Limited

Main businesses of the company are as follows:

Management of productivity, improvement of production efficiency, consultation for quality improvement and training of employees, Consultation for approval of ISO9000, ISO14001

(*3) ESCO (Energy Service Company) activities

One of a business model in energy-saving and eco-business field. A provider of ESCO activities offers energy-saving instruments and its investment capital, and aims to collect investment capital from effect of an energy saving.

(*4) Eco-Trustution activities

Eco-Trustution is the environmental finance business which STB promotes. It is a word coined to refer to the solution of ecological problems through the utilization of the trust function. This project is a part of STB's CSR activities.

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