

January 28, 2010

The Sumitomo Trust and Banking Co., Ltd.  
(Code: 8403; First sections of the TSE and OSE)

**Execution of Merger Agreement of The Sumitomo Trust and Banking Co., Ltd. and  
its Subsidiary (STB Leasing & Financial Group Co., Ltd.)  
(Simplified merger / Short form merger)**

As disclosed in the news release as of October 30, 2009, “Merger of The Sumitomo Trust and Banking Co., Ltd. and Subsidiary (STB Leasing & Financial Group Co., Ltd.)” by The Sumitomo Trust and Banking Co., Ltd. (President and CEO: Hitoshi Tsunekage; “Sumitomo Trust”), Sumitomo Trust and STB Leasing & Financial Group Co., Ltd. (President and CEO: Masakiyo Inoue; “STBLFG”), an intermediate holding company of leasing subsidiaries, executed a merger agreement based on the board resolution of Sumitomo Trust to approve the merger agreement today.

Please note that, as the merger of Sumitomo Trust and STBLFG (“Lease Holding Company Merger”) is a parent company’s simplified merger with a wholly-owned subsidiary, some matters and details are omitted from this release.

1. Purpose of Merger

As disclosed in the news release as of October 30, 2009, “Merger of Sumishin Matsushita Financial Services Co., Ltd. and STB Leasing Co., Ltd.” by Sumitomo Trust, STBLFG is an intermediate holding company for the purpose of the business integration of Sumishin Matsushita Financial Services Co., Ltd. (“SMFC”) and STB Leasing Co., Ltd. (“STBL”). Sumitomo Trust decided to merge with STBLFG, because STBLFG loses its role as the holding company by completion of the merger of SMFC and STBL.

2. Outline of Merger

(1) Schedule

January 28, 2010:	Board meeting to approve the execution of the merger agreement (Sumitomo Trust and STBLFG)
January 28, 2010:	Execution of the merger agreement
April 1, 2010:	Effective date of the merger (planned)

Note: Lease Holding Company Merger will be effective subject to regulatory approvals and permits.

(2) Method of Merger

The merger will be effected through the merger of STBLFG with Sumitomo Trust whereby Sumitomo Trust is the surviving company and STBLFG will be dissolved.

Note: As Lease Holding Company Merger constitutes a simplified merger prescribed in Paragraph 3 of Article 796 of the Companies Act for Sumitomo Trust as well as a short form merger prescribed in Paragraph 1 of Article 784 of the Companies Act for STBLFG, Sumitomo Trust and STBLFG will effect the merger without approval at their respective shareholders’ meetings.

(3) Allocation upon Merger

As Sumitomo Trust holds 100% of STBLFG’s shares, no shares in Sumitomo Trust or other consideration will be allocated or delivered to STBLFG’s shareholders upon the Lease Holding Company Merger. Therefore, Sumitomo Trust will not issue new shares upon the Lease Holding Company Merger.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights upon Merger

STBLFG has not issued any stock acquisition rights or bonds with stock acquisition rights.

3. Outline of Merging Companies

(1) Corporate Name	The Sumitomo Trust and Banking Co., Ltd. (surviving company)	STB Leasing & Financial Group Co., Ltd. (non-surviving company)																						
(2) Principal Business	Trust business, banking business	Management and administration of leasing subsidiaries																						
(3) Date of Incorporation	July 28, 1925	March 31, 2008																						
(4) Location	4-5-33, Kitahama, Chuo-ku, Osaka	3-2-18, Nakanoshima, Kita-ku, Osaka																						
(5) Representative	President and CEO: Hitoshi Tsunekage	Director and CEO: Masakiyo Inoue																						
(6) Stated Capital	342,037 million yen (as of the end of September 2009)	50 million yen (as of the end of September 2009)																						
(7) Total Number of Issued Shares	1,675,128,546 ordinary shares 109,000,000 the First Series Type 2 preferred shares	2,000,000 ordinary shares																						
(8) Financial Year End	March 31	March 31																						
(9) Major Shareholders and Shareholding Percentage (Note)	<table border="1"> <tr> <td>(Ordinary Shares)</td> <td></td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account)</td> <td>6.51%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td> <td>4.65%</td> </tr> <tr> <td>The Bank of New York Mellon as Depositary Bank for Deposit Receipt Holders</td> <td>2.29%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account 9)</td> <td>1.43%</td> </tr> <tr> <td>Northern Trust Co. (AVFC) Sub A/C American Clients</td> <td>1.39%</td> </tr> <tr> <td>State Street Bank and Trust Company 505225</td> <td>1.38%</td> </tr> <tr> <td>The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account</td> <td>1.32%</td> </tr> <tr> <td>Kubota Corporation</td> <td>1.31%</td> </tr> <tr> <td>SSBT OD05 Omnibus Account China Treaty Clients</td> <td>1.17%</td> </tr> <tr> <td>State Street Bank and Trust Company</td> <td>0.99%</td> </tr> </table>	(Ordinary Shares)		Japan Trustee Services Bank, Ltd. (trust account)	6.51%	The Master Trust Bank of Japan, Ltd. (trust account)	4.65%	The Bank of New York Mellon as Depositary Bank for Deposit Receipt Holders	2.29%	Japan Trustee Services Bank, Ltd. (trust account 9)	1.43%	Northern Trust Co. (AVFC) Sub A/C American Clients	1.39%	State Street Bank and Trust Company 505225	1.38%	The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	1.32%	Kubota Corporation	1.31%	SSBT OD05 Omnibus Account China Treaty Clients	1.17%	State Street Bank and Trust Company	0.99%	The Sumitomo Trust and Banking Co., Ltd. 100%
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(10) Relationship between Parties																								
Capital Relationship	STBLFG is a wholly-owned subsidiary of Sumitomo Trust.																							
Personnel Relationship	One director, one executive officer and one corporate auditor of Sumitomo Trust are also director and corporate auditor of STBLFG, and one employee of Sumitomo Trust has been temporarily transferred to STBLFG whilst employed by Sumitomo Trust.																							
Business Relationship	There is no business between Sumitomo Trust and STBLFG of note.																							
Relationship as Affiliated Parties	Because STBLFG is a wholly-owned subsidiary of Sumitomo Trust, STBLFG is categorized as an affiliated party of Sumitomo Trust.																							

Note: The information indicated is as of September 30, 2009.

(11) Operational Results of Three Most Recent Financial Years

Sumitomo Trust (consolidated basis)

(in millions of yen, except per share data)

Financial Year Ended	March 31, 2007	March 31, 2008	March 31, 2009
Consolidated Net Assets	1,447,907	1,280,954	1,264,052
Consolidated Total Assets	21,003,064	22,180,734	21,330,132
Consolidated Net Assets per Share (yen)	738.77	639.75	521.85
Consolidated Ordinary Income	853,365	1,095,650	1,062,122
Consolidated Ordinary Profit	170,171	136,985	29,609
Consolidated Net Income	103,820	82,344	7,946
Consolidated Net Income per Share (yen)	62.05	49.17	4.74
Dividend per Share (yen)	17.00	17.00	10.00

STBLFG (non-consolidated basis)

(in millions of yen, except per share data)

Financial Year Ended	March 31, 2007	March 31, 2008	March 31, 2009
Net Assets	—	96,644	102,504
Total Assets	—	96,644	102,511
Net Assets per Share (yen)	—	48,322.00	51,255.90
Net Sales	—	0	5,882
Operating Income	—	0	5,847
Operating Net Income	—	0	5,875
Net Income	—	0	5,860
Net Income per Share (yen)	—	0	2,930.09
Dividend per Share (yen)	—	0	921.50

4. Conditions after Merger (planned)

- |                        |  |
|------------------------|--|
| (1) Corporate Name     | The Sumitomo Trust and Banking Co., Ltd. |
| (2) Location           | 4-5-33, Kitahama, Chuo-ku, Osaka         |
| (3) Representative     | President and CEO: Hitoshi Tsunekage     |
| (4) Principal Business | Trust business; banking business         |
| (5) Stated Capital     | 342,037 million yen                      |
| (6) Financial Year End | March 31                                 |

5. Outlook

There will be no effect on Sumitomo Trust's earnings forecast for March 31, 2010 as a result of Lease Holding Company Merger.

6. For reference

SMFC and STBL also executed a merger agreement on January 28, 2010. In accordance with this merger, Sumishin Panasonic Financial Services Co., Ltd. (plan to change the corporate name on April 1, 2010) (planned shareholding ratio, Sumitomo Trust; 84.9%, Panasonic Corporation; 15.1%) will be established on April 1, 2010, and leasing businesses of Sumitomo Trust Group will be consolidated into Sumishin Panasonic Financial Services Co., Ltd.

For further information, please contact:

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