

## Revision of earnings and dividend forecasts for the first half and full fiscal year ending March 31, 2011

The Sumitomo Trust and Banking Co., Ltd. ("STB") hereby announces that its earnings and dividend forecasts for the first half and full fiscal year ending March 31, 2011 ("FY2010") are revised as follows:

### 1. Revision of earnings forecast for FY2010

**(For the period from April 1, 2010 to March 31, 2011)**

(1) First Half FY2010 (For the period from April 1, 2010 to September 30, 2010) (Billions of Yen)

	Consolidated		Non-consolidated	
	Ordinary profit	Net income	Ordinary profit	Net income
(A) Previous forecast (*)	45.0	40.0	35.0	35.0
<b>(B) Revised forecast</b>	<b>55.0</b>	<b>50.0</b>	<b>40.0</b>	<b>45.0</b>
(C) Change (B) - (A)	10.0	10.0	5.0	10.0
(D) Rate of Change (%) (C) / (A) x 100	22%	25%	14%	29%

(\*) Announced on July 29, 2010

(2) Full FY2010 (For the period from April 1, 2010 to March 31, 2011) (Billions of Yen)

	Consolidated		Non-consolidated	
	Ordinary profit	Net income	Ordinary profit	Net income
(A) Previous forecast (*)	110.0	75.0	85.0	65.0
<b>(B) Revised forecast</b>	<b>120.0</b>	<b>85.0</b>	<b>90.0</b>	<b>75.0</b>
(C) Change (B) - (A)	10.0	10.0	5.0	10.0
(D) Rate of Change (%) (C) / (A) x 100	9%	13%	6%	15%

(\*) Announced on July 29, 2010

#### (3) Reason for the revision

Consolidated and non-consolidated ordinary profit and net income for the first half FY2010 are expected to be higher than the amounts previously forecasted mainly because total credit costs are expected to decrease from the previous forecast on a non-consolidated basis. Those for the full FY2010 are also revised upward in line with the progress in the first half FY2010.

### 2. Revision of dividend forecast for FY2010

(1) Outline of the revision (dividend per share on common share) (Yen)

	Interim dividend	Year-end dividend	Annual dividend, in total	Consolidated dividend payout ratio
(A) Previous forecast (*)	5.00	5.00	10.00	23.8%
<b>(B) Revised forecast</b>	<b>6.00</b>	<b>6.00</b>	<b>12.00</b>	<b>25.0%</b>

(\*) Announced on July 29, 2010

#### (2) Reason for the revision

The annual dividend forecast on common share for FY2010 is revised up by 2.00 yen from the previous forecast to 12.00 yen per share (consolidated dividend payout ratio of 25%), taking into account the above revision of earnings forecast for the full FY2010. And the interim dividend forecast is revised up to 6.00 yen per share equivalent to one half of the annual dividend forecast. The year-end dividend per share for FY2010 will be calculated and paid by deducting the interim dividend per share from the annual dividend(\*) per share based on the dividend policy which targets consolidated dividend payout ratio of 30% level.

(\*) Annual dividend is a sum of the interim dividend and year-end dividend for FY2010.

#### Legal Disclaimer

##### Regarding forward-looking statements contained in this release

This release 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 but not limited to changes in managerial circumstances. By virtue of the aforementioned reasons, STB hereby cautions against sole reliance on such forward-looking statements in making investment decisions.

## Reference

### Outline of the earnings forecast for FY2010

- (1) Consolidated net business profit before credit costs for 1HFY2010 <1> is expected to increase by 5.0 billion yen from the previous forecast to 80.0 billion yen. Meanwhile, non-consolidated net business profit before credit costs for 1HFY2010 <6> is expected to be 60.0 billion yen in line with the previous forecast.
- (2) Consolidated total substantial credit costs for 1HFY2010 <13> is expected to improve by 10.0 billion yen from the previous forecast to -10.0 billion yen, mainly because credit costs from new non-performing loans have been limited on a non-consolidated basis, and that the balance of loans to debtors which have been classified as special mention category or below has decreased.
- (3) Consolidated and non-consolidated net income are expected to increase by 15.0 billion yen, respectively, in line with the previous forecasts, resulting from the restructuring of subsidiaries (please refer to "Notice regarding the Completion of the Business Transfer of Subsidiaries and the Dissolution of a Subsidiary" dated September 30, 2010). (Goodwill impairment loss included in extraordinary loss: -6.0 billion yen, increase in provision for loan losses at First Credit Corporation resulting from the businesses not to be transferred: -5.0 billion yen, income taxes-current, etc.: -4.0 billion yen, income taxes-deferred: 30.0 billion yen, etc.)
- (4) As a result, both consolidated net income <3> and non-consolidated net income <12> for 1HFY2010 are expected to be 10.0 billion yen higher than the previous forecasts.
- (5) The earnings forecast for the full FY2010 is revised upward in line with the progress in 1HFY2010.

(Consolidated)		(Billions of Yen)						
		First Half FY2010			Full FY2010			
		Previous forecast (A)	Revised forecast (B)	Change (B)-(A)	Previous forecast (A)	Revised forecast (B)	Change (B)-(A)	
1	Net business profit before credit costs	75.0	<b>80.0</b>	5.0	175.0	<b>175.0</b>	-	
2	Ordinary profit	45.0	<b>55.0</b>	10.0	110.0	<b>120.0</b>	10.0	
3	Net income	40.0	<b>50.0</b>	10.0	75.0	<b>85.0</b>	10.0	
		(Yen)						
4	Dividend per share on Common share	5.00	<b>6.00</b>	1.00	10.00	<b>12.00</b>	2.00	
5	Consolidated dividend payout ratio	N/A	N/A	N/A	23.8%	<b>25.0%</b>	1.2%	
(Non-consolidated)		(Billions of Yen)						
6	Net business profit before credit costs	60.0	<b>60.0</b>	-	140.0	<b>135.0</b>	-5.0	
7	Total credit costs (*1)	-10.0	<b>-5.0</b>	5.0	-30.0	<b>-20.0</b>	10.0	
8	Other non-recurring profit	-15.0	<b>-15.0</b>	-	-25.0	<b>-25.0</b>	-	
9	Ordinary profit	35.0	<b>40.0</b>	5.0	85.0	<b>90.0</b>	5.0	
10	Extraordinary profit	N/A	<b>-10.0</b>	N/A	N/A	<b>-15.0</b>	N/A	
11	Total credit costs	N/A	<b>5.0</b>	N/A	N/A	<b>0.0</b>	N/A	
12	Net income	35.0	<b>45.0</b>	10.0	65.0	<b>75.0</b>	10.0	
(Total substantial credit costs) (*2)		(Billions of Yen)						
13	Consolidated	-20.0	<b>-10.0</b>	10.0	-45.0	<b>-35.0</b>	10.0	
14	Non-consolidated	-15.0	<b>-5.0</b>	10.0	-35.0	<b>-25.0</b>	10.0	
15	Domestic	-10.0	<b>0.0</b>	10.0	-30.0	<b>-20.0</b>	10.0	
16	International	-5.0	<b>-5.0</b>	-	-5.0	<b>-5.0</b>	-	
17	Group companies	-5.0	<b>-5.0</b>	-	-10.0	<b>-10.0</b>	-	

(\*1) Reversal of allowance for loan losses, which is included in "Extraordinary profit", is excluded.

(\*2) "Total substantial credit costs" is a sum of "Total credit costs", costs in "Net gains on sales of stocks and other securities" and "Other non-recurring profit" which are related to investment in securities (bonds, stocks, and etc.) of domestic and international credit and leased assets, etc., and affiliates' total credit costs included in "Net income from affiliates by equity method".

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