

Explanatory Material

*2nd Quarter of Fiscal Year 2010
ended on Sep. 30, 2010*

The Sumitomo Trust and Banking Co., Ltd.

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Legal Disclaimer

Regarding forward-looking Statements contained in this material

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 but not limited to changes in managerial circumstances. By virtue of the aforementioned reasons, The Sumitomo Trust and Banking Co., Ltd. (referred to hereinafter as "Sumitomo Trust") hereby cautions against sole reliance on such forward-looking statements

Summary of the financial results

Financial performance

<Consolidated>

- (1) Net business profit before credit costs decreased by 4.7 billion yen from 1HFY2009 to 83.0 billion yen mainly due to the decrease in non-consolidated net business profit before credit costs, while the profits of group companies related to real estate business and fiduciary services business, etc. increased, in addition to the contribution of Nikko Asset Management which became a subsidiary in the previous fiscal year.
- (2) Net income increased by 34.7 billion yen from 1HFY2009 to 54.0 billion yen, because it was boosted due to the tax effect accounting, while posting the goodwill impairment loss of 6.0 billion yen as an extraordinary loss resulting from the business restructuring of subsidiaries.
- (3) Total substantial credit costs decreased by 30.8 billion yen from 1HFY2009 to 9.9 billion yen, because those on a non-consolidated basis and of group companies were limited, except for additional provision for loan losses at First Credit by 5.6 billion yen related to its remaining business, as it resolved with respect to the dissolution after the partial business transfer.

<Non-consolidated>

- (1) Net business profit before credit costs decreased by 21.2 billion yen from 1HFY2009 to 60.4 billion yen, mainly due to the decrease in net interest income resulting from the decline in the market interest rate, in addition to the disappearance of one-off dividend income (9.5 billion yen) in 1HFY2009 resulting from the gain on retirement of perpetual subordinated bonds, while sales fees of mutual funds and individual annuities and real estate brokerage fees recovered.
- (2) Total credit costs improved by 31.1 billion yen from 1HFY2009 to the reversal of 3.8 billion yen, mainly due to the reversal of allowance for loan losses resulting from the decreased balance of loans to special mention debtors, as well as the limited credit costs from new non-performing loans. Total substantial credit costs including losses on sales of the international credit securities, etc. improved by 29.0 billion yen to 3.6 billion yen over the same period.
- (3) Net income increased by 29.1 billion yen from 1HFY2009 to 48.4 billion yen, because it was boosted due to the tax effect accounting, while posting impairment loss of 15.2 billion yen on the shares of First Credit as an extraordinary loss.

<Earnings forecast for FY2010>

- (1) Net business profit before credit costs on a non-consolidated basis and on a consolidated basis is forecasted to be 135.0 billion yen and 175.0 billion yen, respectively, taking into account the progress in 1HFY2010, as well as the decreased net interest income resulting from the decline in the market interest rate, against the backdrop of steady fee revenues of subsidiaries.
- (2) Total substantial credit costs on a non-consolidated basis and on a consolidated basis are forecasted to be 25.0 billion yen and 35.0 billion yen, respectively, taking into account the progress in 1HFY2010, while those for 2HFY2010 remain unchanged from the forecast in May, 2010.
- (3) Consolidated net income is forecasted to increase by 31.8 billion yen from the previous fiscal year to 85.0 billion yen, and non-consolidated net income is forecasted to increase by 53.3 billion yen to 75.0 billion yen over the same period.

<Dividend forecast>

- (1) Based on the above earnings forecast, the annual dividend on common share for FY2010 is forecasted to be 12.00 yen per share (consolidated dividend payout ratio of 25.0%). And the interim dividend for FY2010 is planned to be 6.00 yen per share equivalent to one half of the annual dividend forecast.
- (2) 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.

<Outline of the financial results>

(Billions of Yen)

| | 1HFY2010 | 1HFY2009 | Change |
|---|----------|----------|--------|
| (Consolidated) | | | |
| Net business profit before credit costs | 83.0 | 87.7 | -4.7 |
| Ordinary profit | 61.5 | 33.4 | 28.0 |
| Extraordinary profit/ loss | -9.1 | 9.5 | -18.6 |
| Goodwill impairment loss | -6.0 | - | -6.0 |
| Net income | 54.0 | 19.2 | 34.7 |
| (Non-consolidated) | | | |
| Net business profit before credit costs | 60.4 | 81.6 | -21.2 |
| Ordinary profit | 42.6 | 31.1 | 11.4 |
| Extraordinary profit/ loss | -11.8 | 0.1 | -12.0 |
| Impairment loss on shares of subsidiary | -15.2 | - | -15.2 |
| Reversal of allowance for loan losses | 4.8 | - | 4.8 |
| Net income | 48.4 | 19.3 | 29.1 |
| Total credit costs | 3.8 | -27.2 | 31.1 |
| (Total substantial credit costs) | | | |
| Consolidated | -9.9 | -40.8 | 30.8 |
| Non-consolidated | -3.6 | -32.7 | 29.0 |
| Domestic | 0.3 | -24.1 | 24.4 |
| International | -4.0 | -8.5 | 4.5 |
| Group companies | -6.2 | -8.1 | 1.8 |

(*) "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 of domestic and overseas credit, and affiliates' total credit costs included in "Net income from affiliates by equity method".

<Earnings forecast for FY2010>

(Billions of Yen)

| | FY2010 forecast | FY2009 actual | Change |
|---|--------------------|------------------|--------|
| (Consolidated) | | | |
| Net business profit before credit costs | 175.0 | 197.8 | -22.8 |
| Ordinary profit | 120.0 | 148.1 | -28.1 |
| Net income | 85.0 | 53.1 | 31.8 |
| Total substantial credit costs | -35.0 | -4.2 | -30.7 |
| (Non-consolidated) | | | |
| Net business profit before credit costs | 135.0 | 175.4 | -40.4 |
| Ordinary profit | 90.0 | 127.5 | -37.5 |
| Net income | 75.0 | 21.6 | 53.3 |
| Total substantial credit costs | -25.0 | 7.4 | -32.4 |

<Dividend forecast>

| | FY2010 forecast | FY2009 actual | Change |
|--|--------------------|------------------|--------|
| Dividend on common share (Yen) | 12.0 | 10.0 | 2.0 |
| (Interim dividend (Yen)) | (6.0) | (5.0) | (1.0) |
| Consolidated dividend payout ratio (%) | 25.0% | 33.1% | -8.1% |

Assets and liabilities

<Balance of major accounts>

(Non-consolidated)

- (1) The average balance of non-consolidated loan portfolio during 1HFY2010 decreased by 15.1 billion yen from the 2HFY2009 to 11.6 trillion yen. Deposits, including the principal-guaranteed trust account, decreased by 418.4 billion yen to 12.3 trillion yen over the same period, due to the decline in deposits of corporations and trust principal, while the deposits of individuals increased steadily.
- (2) Mainly due to the decline in the market interest rate, the average yields on loans and deposits dropped to 1.32% and 0.44%, respectively. As a result, the loan-deposit margin, for domestic banking a/c and principal guaranteed trust a/c combined, declined by 0.04% from 2HFY2009 to 0.88%.

<Assets classified under the Financial Reconstruction Law>

(Non-consolidated; banking a/c and principal guaranteed trust a/c combined)

- (1) The total balance of assets classified under the Financial Reconstruction Law as of the end of Sep. 2010 decreased by 14.9 billion yen from the end of previous fiscal year to 161.5 billion yen, mainly due to the decrease in the balance of loans in bankrupt and practically bankrupt and substandard loans owing to the repayments, etc. The ratio of assets classified under the Financial Reconstruction Law to the total loan balance improved by 0.1% to 1.3% over the same period.
- (2) Coverage ratios as of the end of Sep. 2010 for "Doubtful loans" and "substandard loans", which are secured by collateral values and allowance for loan losses, stand at 90% and 72%, respectively, and that for the "Assets classified under the Financial Reconstruction Law" stands at 81%, all of which represent sufficient level.
- (3) Loans to "Special mention" debtors decreased by 110.4 billion yen from the end of previous fiscal year to 513.8 billion yen, mainly due to the upgrades and repayments of some of the domestic clients.

<Status of the securities with fair value>

(Consolidated)

- (1) Book value of held-to-maturity debt securities with fair value decreased by 54.9 billion yen from the end of previous fiscal year to 491.6 billion yen due to the redemption, etc., and net unrealized gains/ losses declined by 2.4 billion yen to the net gains of 51.2 billion yen over the same period.

- (2) Cost of available-for-sale securities decreased by 421.3 billion yen from the end of previous fiscal year, mainly due to the decrease in the balance of foreign bonds. Net unrealized gains/ losses declined by 35.6 billion yen to the net gains of 58.6 billion yen over the same period, mainly due to the decrease in the net gains of Japanese stocks (-40.0 billion yen) resulting from the decline in stock prices.

<Status of the international credit investment>

(Non-consolidated)

- (1) The balance of held-to-maturity debt securities decreased by 34.3 billion yen from the end of previous fiscal year to 228.3 billion yen, mainly due to the redemption and the effect of exchange rate fluctuation, and net unrealized gains/ losses declined by 5.9 billion yen to the net gains of 39.5 billion yen over the same period.
- (2) As to the balance of available-for-sale securities, asset-backed securities decreased by 26.1 billion yen from the end of previous fiscal year to 7.9 billion yen, and corporate bonds also decreased by 77.9 billion yen to 164.0 billion yen over the same period, owing to sales as well as redemption, etc. Unrealized gains/ losses of asset-backed securities and corporate bonds in total improved by 5.8 billion yen to the net gains of 13.1 billion yen over the same period.
- (3) The balance of overseas corporate loans (non-Japanese) decreased by 42.8 billion yen from the end of previous fiscal year to 203.3 billion yen mainly due to collection.

<Status of BIS capital adequacy ratio (Consolidated)> (Preliminary)

- (1) Consolidated BIS capital adequacy ratio and consolidated Tier I capital ratio improved by 0.86% and 0.62% from the end of previous fiscal year to 14.71% and 10.48%, respectively.
- (2) Meanwhile, total risk-weighted assets decreased by 0.3 trillion yen from the end of previous fiscal year to 12.4 trillion yen, mainly due to the decline in the credit risk-weighted assets resulting from the decreased loan balance.

<Balance of major accounts>

(Non-consolidated)

(Average balance of major accounts; Banking a/c and principal guaranteed trust a/c combined)

(Billions of Yen)

| | 1HFY2010 | Change fm 2HFY2009 | 2HFY2009 | 1HFY2009 |
|----------|----------|-----------------------|----------|----------|
| Loans | 11,682.6 | -15.1 | 11,697.7 | 11,519.2 |
| Deposits | 12,331.3 | -418.4 | 12,749.7 | 12,712.0 |

Note: All branches

(Spread; Domestic banking a/c and principal guaranteed trust a/c combined)

(%)

| | 1HFY2010 | Change fm 2HFY2009 | 2HFY2009 | 1HFY2009 |
|----------------------------|----------|-----------------------|----------|----------|
| Loan-deposit margin | 0.88 | -0.04 | 0.92 | 0.96 |
| Loans and bills discounted | 1.32 | -0.09 | 1.41 | 1.48 |
| Deposits | 0.44 | -0.05 | 0.49 | 0.52 |

<Assets classified under the Financial Reconstruction Law>

(Non-consolidated; Banking a/c and principal guaranteed trust a/c combined)

(Billions of Yen)

| | Sep. 2010 | Change fm Mar. 2010 | Coverage ratio (*1) | Reserve ratio (*2) |
|--|-----------|------------------------|------------------------|-----------------------|
| Loans in bankrupt and practically bankrupt | 10.3 | -7.2 | 100% | 100% |
| Doubtful loans | 66.8 | 5.6 | 90% | 82% |
| Substandard loans | 84.4 | -13.3 | 72% | 19% |
| Assets classified under the Financial Reconstruction Law | 161.5 | -14.9 | 81% | 58% |
| Ratio to total loan balance | 1.3% | -0.1% | | |
| Special mention (exc. substandard) | 513.8 | -110.4 | | |

(*1) Coverage ratio for loan balance which is secured by collateral values and allowance for loan losses

(*2) Reserve ratio for uncovered portion of loan balance (remaining loan balance after deduction of collateral values)

<Status of the securities with fair value>

(Consolidated)

(Held-to-maturity debt securities with fair value)

(Billions of Yen)

| | Sep. 2010 | | | |
|-------------------------------|------------|------------------------|------------|--|
| | Book value | Change fm Mar. 2010 | Fair value | Unrealized gains/ losses Change fm Mar. 2010 |
| Japanese government bond: | 209.8 | -26.2 | 220.3 | 10.5 |
| Japanese corporate bonds, etc | 20.8 | -2.3 | 20.9 | 0.0 |
| Others | 260.9 | -26.3 | 301.6 | 40.7 |
| Foreign bonds | 255.9 | -31.3 | 296.6 | 40.7 |
| Total | 491.6 | -54.9 | 542.9 | 51.2 |

(Available-for-sale securities with fair value)

(Billions of Yen)

| | Sep. 2010 | | | |
|-----------------|-----------|------------------------|----------------------------|--|
| | Cost | Change fm Mar. 2010 | Book value (Fair value) | Unrealized gains/ losses Change fm Mar. 2010 |
| Japanese stocks | 429.0 | 2.3 | 454.1 | 25.1 |
| Japanese bonds | 1,653.3 | 60.4 | 1,677.8 | 24.4 |
| Others | 1,016.7 | -484.0 | 1,025.7 | 9.0 |
| Foreign bonds | 589.9 | -480.6 | 601.9 | 12.0 |
| Total | 3,099.1 | -421.3 | 3,157.7 | 58.6 |

<Status of the international credit investment>

(Non-consolidated)

(Held-to-maturity debt securities with fair value)

(Billions of Yen)

| | Sep. 2010 | | | |
|-------------------------|-------------------------|------------------------|--|------------------------|
| | Cost (after impairment) | Change fm Mar. 2010 | Unrealized gains/ losses (Fair value) | Change fm Mar. 2010 |
| Asset-backed securities | 228.3 | -34.3 | 39.5 | -5.9 |
| | | | | 17.3% |

(*) Unamortized amount of unrealized gains/ losses resulting from reclassification is -66.4 billion yen as of the end of Sep. 2010.

(Available-for-sale securities with fair value)

| | Cost | Change fm Mar. 2010 | Book value (Fair value) | Unrealized gains/ losses Change fm Mar. 2010 | % |
|-------------------------|-------|------------------------|----------------------------|--|-------|
| Asset-backed securities | 7.9 | -26.1 | 6.0 | 4.5 | 76.5% |
| Corporate bonds | 164.0 | -77.9 | 7.1 | 1.2 | 4.3% |
| Total | 171.9 | -104.1 | 13.1 | 5.8 | 7.7% |

<Status of loans to overseas corporations>

(Non-consolidated)

(Billions of Yen)

| | Sep. 2010 balance | Change fm Mar. 2010 |
|-----------------|----------------------|------------------------|
| Corporate loans | 203.3 | -42.8 |

<Status of BIS capital adequacy ratio> (Preliminary)

(Consolidated)

(Billions of Yen)

| | Sep. 2010 | Mar. 2010 | Change |
|----------------------------|-----------|-----------|--------|
| BIS capital adequacy ratio | 14.71% | 13.85% | 0.86% |
| Tier I capital ratio | 10.48% | 9.86% | 0.62% |
| Total qualifying capital | 1,835.8 | 1,777.3 | 58.4 |
| Tier I | 1,307.7 | 1,266.3 | 41.4 |
| Total risk-weighted assets | 12,473.7 | 12,831.3 | -357.6 |

I. Outline of the financial results

1. Outline of the financial performance

(1) Financial results

(Consolidated)

| | | Millions of Yen | | |
|---|----|-------------------|-----------|-----------|
| | | 1HFY2010 | 1HFY2009 | Change |
| (Gross profit before credit costs) (2-4) | 1 | (187,902) | (183,824) | (4,077) |
| Gross profit | 2 | 187,902 | 183,824 | 4,077 |
| Net trust fees | 3 | 25,097 | 26,258 | -1,160 |
| Principal guaranteed trust a/c credit costs | 4 | - | - | - |
| Trust fees from principal guaranteed trust a/c | 5 | 2,016 | 3,014 | -998 |
| Other trust fees | 6 | 23,081 | 23,243 | -161 |
| Net interest income | 7 | 76,629 | 87,591 | -10,961 |
| Net fees and commissions | 8 | 53,526 | 36,114 | 17,411 |
| Net trading income | 9 | 5,632 | 10,030 | -4,397 |
| Net other operating income | 10 | 27,016 | 23,830 | 3,186 |
| General and administrative expenses | 11 | -109,518 | -96,156 | -13,362 |
| (excluding amortization of goodwill) | 12 | (-105,164) | (-91,891) | (-13,272) |
| Personnel expenses | 13 | -47,338 | -41,485 | -5,853 |
| Non-personnel expenses excluding taxes | 14 | -58,396 | -51,160 | -7,236 |
| Taxes other than income taxes | 15 | -3,783 | -3,510 | -273 |
| Provision of general allowance for loan losses | 16 | 8,363 | 21,529 | -13,165 |
| Banking a/c credit costs | 17 | -12,339 | -55,122 | 42,782 |
| Written-off of loans | 18 | -1,912 | -3,571 | 1,659 |
| Provision of specific allowance for loan losses | 19 | -9,988 | -49,230 | 39,241 |
| Losses on sales of loans | 20 | -438 | -2,319 | 1,881 |
| Net gains on sales of stocks and other securities | 21 | -2,963 | -6,483 | 3,519 |
| Net income from affiliates by equity method | 22 | 1,179 | -452 | 1,631 |
| Others | 23 | -11,094 | -13,681 | 2,587 |
| Ordinary profit | 24 | 61,529 | 33,458 | 28,071 |
| Extraordinary profit | 25 | -9,114 | 9,570 | -18,685 |
| Recoveries of written-off claims | 26 | 685 | 333 | 352 |
| Goodwill impairment loss | 27 | -6,041 | - | -6,041 |
| Gain on retirement of perpetual subordinated bonds | 28 | - | 9,469 | -9,469 |
| Income before income taxes | 29 | 52,414 | 43,028 | 9,386 |
| Income taxes-current | 30 | -10,364 | -13,411 | 3,047 |
| Income taxes-deferred | 31 | 18,658 | -2,841 | 21,500 |
| Minority interest | 32 | -6,674 | -7,499 | 825 |
| Net income | 33 | 54,035 | 19,276 | 34,758 |
| Total credit costs (4 + 16 + 17 + 26) | 34 | -3,290 | -33,259 | 29,969 |
| Total substantial credit costs (*1) | 35 | -9,961 | -40,810 | 30,848 |
| (Difference from non-consolidated Total substantial credit costs) | 36 | (-6,288) | (-8,105) | (1,816) |
| Net business profit before credit costs (*2) | 37 | 83,016 | 87,730 | -4,714 |
| (Difference from non-consolidated net business profit before credit costs (Adjusted, *3)) | 38 | (22,615) | (15,640) | (6,974) |
| (Difference from non-consolidated net business profit before credit costs) | 39 | (22,615) | (6,126) | (16,488) |

(*1) Total substantial credit costs (35) = (34) + Costs included in (21) (23) which are related to investment in securities of domestic and overseas credit + Affiliates' total credit costs included in (22)

(*2) Consolidated net business profit before credit costs = Non-consolidated net business profit before credit costs + Subsidiary companies' ordinary profits (non-recurring effect adjusted) + Affiliates' ordinary profits (non-recurring effect adjusted) x Ratio of equity holdings - Intra-group transaction (dividends, etc.)

(*3) For 1HFY2009, the dividend income from a subsidiary resulting from the gain on retirement of perpetual subordinated bonds (28) (9,469 million yen) is eliminated.

<Number of subsidiaries/affiliates>

| | Sep. 2010 | Mar. 2010 | Change |
|---|-----------|-----------|--------|
| Consolidated subsidiaries | 45 | 48 | -3 |
| Affiliates (subject to the equity method) | 12 | 11 | 1 |

(Non-consolidated)

| | | Millions of Yen | | | % change |
|--|----|------------------|-----------|-----------|----------|
| | | 1HFY2010 | 1HFY2009 | Change | |
| Gross business profit before credit costs (2-4) | 1 | 124,992 | 146,251 | -21,259 | -14.5 |
| (Gross profit) | 2 | (124,992) | (146,251) | (-21,259) | (-14.5) |
| Net trust fees | 3 | 25,130 | 26,336 | -1,205 | -4.6 |
| Principal guaranteed trust a/c credit costs | 4 | - | - | - | - |
| Trust fees from principal guaranteed trust a/c | 5 | 2,016 | 3,014 | -998 | -33.1 |
| Other trust fees | 6 | 23,114 | 23,321 | -206 | -0.9 |
| Net interest income | 7 | 69,405 | 87,697 | -18,292 | -20.9 |
| Domestic | 8 | 59,720 | 66,849 | -7,129 | -10.7 |
| Net fees and commissions | 9 | 18,611 | 18,459 | 152 | 0.8 |
| Domestic | 10 | 18,478 | 18,082 | 395 | 2.2 |
| Net trading income | 11 | 5,632 | 10,030 | -4,397 | -43.8 |
| Net other operating income | 12 | 6,212 | 3,728 | 2,484 | 66.6 |
| Net gains on foreign exchange transactions | 13 | 1,624 | -4,487 | 6,112 | 136.2 |
| Net gains on bonds | 14 | 15,307 | 13,026 | 2,281 | 17.5 |
| Net gains from derivatives other than for trading or hedging | 15 | -13,963 | -5,496 | -8,467 | -154.1 |
| General and administrative expenses | 16 | -64,591 | -64,646 | 55 | 0.1 |
| Personnel expenses | 17 | -25,066 | -24,737 | -329 | -1.3 |
| Non-personnel expenses excluding taxes | 18 | -36,604 | -36,993 | 388 | 1.1 |
| Taxes other than income taxes | 19 | -2,920 | -2,916 | -3 | -0.1 |
| Net business profit before credit costs (1 + 16) | 20 | 60,401 | 81,604 | -21,203 | -26.0 |
| (Excluding Net gains on bonds) (20 - 14) | 21 | (45,093) | (68,578) | (-23,484) | (-34.2) |
| Provision of general allowance for loan losses | 22 | - | 20,922 | -20,922 | -100.0 |
| Net business profit | 23 | 60,401 | 102,527 | -42,125 | -41.1 |
| Net non-recurring profit | 24 | -17,762 | -71,343 | 53,581 | 75.1 |
| Net gains on sales of stocks and other securities | 25 | -2,987 | -6,320 | 3,333 | 52.7 |
| Gains on sales of stocks and other securities | 26 | 1,405 | 7,886 | -6,481 | -82.2 |
| Losses on sales of stocks and other securities | 27 | -737 | -1,501 | 763 | 50.9 |
| Losses on devaluation of stocks and other securities | 28 | -3,655 | -12,706 | 9,050 | 71.2 |
| Banking a/c net credit costs | 29 | -1,676 | -48,554 | 46,878 | 96.5 |
| Written-off of loans | 30 | -1,237 | -2,579 | 1,342 | 52.0 |
| Provision of specific allowance for loan losses | 31 | - | -43,654 | 43,654 | 100.0 |
| Losses on sales of loans | 32 | -438 | -2,319 | 1,881 | 81.1 |
| Others | 33 | -13,098 | -16,468 | 3,370 | 20.5 |
| Amortization of net actuarial losses/ prior service cost | 34 | -6,230 | -8,122 | 1,892 | 23.3 |
| Net gains on stock related derivatives | 35 | 2,052 | -1,443 | 3,495 | 242.2 |
| Provision of allowance for contingencies | 36 | -2,767 | 68 | -2,836 | -4,129.1 |
| Losses related to overseas credit investment | 37 | -4,754 | -4,748 | -6 | -0.1 |
| Ordinary profit | 38 | 42,638 | 31,183 | 11,455 | 36.7 |
| Extraordinary profit | 39 | -11,881 | 186 | -12,068 | -6,458.7 |
| Net gains on disposal of fixed assets (*1) | 40 | -561 | -116 | -445 | -383.0 |
| Recoveries of written-off claims | 41 | 683 | 332 | 351 | 105.9 |
| Reversal of allowance for loan losses (*2) | 42 | 4,874 | - | 4,874 | - |
| Impairment loss on shares of subsidiary | 43 | -15,211 | - | -15,211 | - |
| Costs related to the Management Integration (*1) | 44 | -2,145 | - | -2,145 | - |
| Income before income taxes | 45 | 30,757 | 31,370 | -612 | -2.0 |
| Income taxes-current | 46 | -4,100 | -7,460 | 3,359 | 45.0 |
| Income taxes-deferred | 47 | 21,840 | -4,587 | 26,427 | 576.1 |
| Net income | 48 | 48,497 | 19,322 | 29,174 | 151.0 |
| Total credit costs (4 + 22 + 29 + 41 + 42) | 49 | 3,882 | -27,299 | 31,181 | 114.2 |
| Total substantial credit costs (*2) | 50 | -3,673 | -32,705 | 29,031 | 88.8 |
| Domestic | 51 | 351 | -24,117 | 24,468 | 101.5 |
| International | 52 | -4,024 | -8,587 | 4,563 | 53.1 |

(*1) Costs related to the Management Integration in total (2,648 million yen) = (44) + Part of the costs included in (40) which are related

(*2) Due to the reversal of reserves, the amount is included in the extraordinary income.

(*3) Total substantial credit costs (50) = (49) + Costs included in (25) (33) which are related investment in securities of domestic and overseas credit.

(2) Breakdown of profit by business group

1) Gross business profit before credit costs

(Non-consolidated)

| | Billions of Yen | | |
|--|-----------------|--------------|--------------|
| | 1HFY2010 | 1HFY2009 | Change |
| Retail financial services | 36.4 | 36.3 | 0.0 |
| Wholesale financial services | 45.6 | 53.9 | -8.2 |
| Stock transfer agency services | 7.3 | 7.7 | -0.4 |
| Global Markets | 23.6 | 34.9 | -11.3 |
| Fiduciary services | 23.3 | 23.5 | -0.2 |
| Pension asset management | 17.5 | 17.6 | -0.0 |
| Securities processing services | 5.8 | 5.9 | -0.1 |
| Real estate | 6.5 | 4.4 | 2.0 |
| Fees paid for outsourcing | -11.5 | -10.4 | -1.1 |
| Stock transfer agency services | -3.9 | -3.6 | -0.2 |
| Fiduciary services | -7.7 | -6.8 | -0.8 |
| Others (*) | 1.1 | 3.6 | -2.4 |
| Gross business profit before credit costs | 124.9 | 146.2 | -21.2 |

2) Net business profit before credit costs

(Non-consolidated)

| | Billions of Yen | | |
|--|-----------------|-------------|--------------|
| | 1HFY2010 | 1HFY2009 | Change |
| Retail financial services | 5.5 | 5.9 | -0.4 |
| Wholesale financial services | 30.6 | 38.9 | -8.2 |
| Stock transfer agency services | 2.8 | 3.1 | -0.2 |
| Global Markets | 19.3 | 29.5 | -10.2 |
| Fiduciary services | 8.2 | 9.0 | -0.8 |
| Pension asset management | 5.9 | 5.8 | 0.0 |
| Securities processing services | 2.3 | 3.2 | -0.9 |
| Real estate | 3.6 | 0.9 | 2.6 |
| Others (*) | -6.7 | -2.5 | -4.1 |
| Net business profit before credit costs | 60.4 | 81.6 | -21.2 |

(Consolidated)

| | Billions of Yen | | |
|--|-----------------|-------------|-------------|
| | 1HFY2010 | 1HFY2009 | Change |
| Retail financial services | 7.2 | 7.5 | -0.2 |
| Wholesale financial services | 45.0 | 50.9 | -5.8 |
| Stock transfer agency services | 3.1 | 2.4 | 0.6 |
| Global Markets | 19.3 | 29.5 | -10.2 |
| Fiduciary services | 13.8 | 10.0 | 3.8 |
| Pension asset management | 10.4 | 6.2 | 4.2 |
| Securities processing services | 3.4 | 3.8 | -0.4 |
| Real estate | 4.2 | 0.7 | 3.4 |
| Others (*) | -6.5 | -10.8 | 4.3 |
| Net business profit before credit costs | 83.0 | 87.7 | -4.7 |

Note: Above table is made based on "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (The Accounting Standards Board of Japan ("ASBJ") Statement No.17 (Revised 2009)).

(*) Net of dividend income, cost of capital sourcing and head office expense is included. Dividend income which is generated by retirement of perpetual subordinated bonds (9.4 billion yen) is included in 1HFY2009.

(3) Fee revenue breakdown
(Consolidated)

| | Billions of Yen | | |
|--|-----------------|-------------|-------------|
| | 1HFY2010 | 1HFY2009 | Change |
| Other trust fees | 23.0 | 23.2 | -0.1 |
| Pension management and other asset management services | 13.8 | 14.0 | -0.2 |
| Securities processing services | 6.2 | 6.2 | -0.0 |
| Asset securitization business (*2) | 1.1 | 1.1 | 0.0 |
| Real estate | 1.5 | 1.5 | -0.0 |
| Net fees and commissions | 53.5 | 36.1 | 17.4 |
| Domestic business | 50.2 | 32.5 | 17.7 |
| Retail financial services | 10.2 | 8.4 | 1.8 |
| Wholesale financial services | 19.0 | 20.0 | -1.0 |
| Stock transfer agency services | 7.8 | 8.4 | -0.6 |
| Real estate | 9.4 | 6.6 | 2.8 |
| Fiduciary services | 21.4 | 5.1 | 16.3 |
| Fees paid for outsourcing | -7.7 | -6.8 | -0.8 |
| International business | 3.2 | 3.5 | -0.3 |
| Total | 76.6 | 59.3 | 17.2 |

Note: Managerial accounting basis.

| | | | |
|----------------------------------|-------|-------|------|
| Fee revenue ratio | 40.7% | 32.2% | 8.5% |
| Gross profit before credit costs | 187.9 | 183.8 | 4.0 |

(4) Return on equity (ROE)
(Consolidated)

| | Percentage points | | |
|---|-------------------|----------|--------|
| | 1HFY2010 | 1HFY2009 | Change |
| Return (Net income) on shareholders' equity | 9.78 | 3.77 | 6.01 |
| Return (Net income) on equity | 9.82 | 4.02 | 5.80 |

(Non-consolidated)

| | Percentage points | | |
|--|-------------------|----------|--------|
| | 1HFY2010 | 1HFY2009 | Change |
| Return (Net income) on shareholders' equity | 9.26 | 3.88 | 5.38 |
| Return (Net income) on equity | 9.20 | 4.09 | 5.11 |
| Return (Net business profit before credit costs) on shareholders' equity | 11.65 | 16.61 | -4.96 |
| Return (Net business profit before credit costs) on equity | 11.58 | 17.53 | -5.95 |

(*1) Return on shareholders' equity (equity) formula

= { Net income (Net business profit before credit costs) - Total amount of dividend for preferred shares }

÷ [{ (Beginning balance of shareholders' equity (equity) - Beginning balance of deduction (*))

+ (Ending balance of shareholders' equity (equity) - Ending balance of deduction (*)) } ÷ 2] X 100 X $\frac{365}{183}$

(*) Balance of preferred shares issued + Dividend amount for preferred shares

(*2) Shareholders' equity = Total net assets - Minority interests - Valuation and translation adjustments

(*3) Equity = Total net assets - Minority interests

(5) Major subsidiaries

| | Billions of Yen | | |
|--------------------------------|--|---|----------------------|
| | | <for reference> | <for reference> |
| | Sumishin Panasonic Financial Services | Sumishin Matsushita Financial Services | STB Leasing Group |
| | 1HFY2010 (Consolidated) | 1HFY2009 (Consolidated) | 1HFY2009 |
| Ordinary profit | 9.8 | 1.1 | 1.2 |
| Net income | 6.0 | 1.7 | 0.8 |
| Total substantial credit costs | 1.3 | -2.0 | -2.9 |
| | Sep. 2010 | Mar. 2010 | Mar. 2010 |
| Total assets | 1,165.2 | 622.7 | 522.6 |
| Net assets | 129.6 | 76.6 | 47.9 |

Note: Sumishin Matsushita Financial Services Co., Ltd. has merged with STB Leasing Co., Ltd. on April 1, 2010, and changed its corporate name to Sumishin Panasonic Financial Services Co., Ltd.

| | Billions of Yen | | | | | |
|--------------------------------|-------------------------------------|-----------|--------|------------------|-----------|--------|
| | Sumishin Real Estate Loan & Finance | | | First Credit | | |
| | 1HFY2010 | 1HFY2009 | Change | 1HFY2010 | 1HFY2009 | Change |
| Ordinary profit | 0.8 | 1.7 | -0.8 | -4.5 | 1.4 | -6.0 |
| Net income | 0.7 | 2.2 | -1.4 | 33.0 | 1.1 | 31.9 |
| Total substantial credit costs | -0.1 | -0.0 | -0.0 | -5.8 | -1.1 | -4.6 |
| | Sep. 2010 | Mar. 2010 | Change | Sep. 2010 | Mar. 2010 | Change |
| Total assets | 259.9 | 158.3 | 101.5 | 54.1 | 92.9 | -38.7 |
| Net assets | 23.5 | 12.7 | 10.7 | 50.4 | 17.3 | 33.0 |

Note: Life Housing Loan, Ltd. has changed its corporate name to Sumishin Real Estate Loan & Finance, Ltd. as First Credit Corporation has transferred a part of its business to Life Housing Loan, Ltd. on September 30, 2010.

Figures for 1HFY2009 of Sumishin Real Estate Loan & Finance, Ltd. shows the results of Life Housing Loan, Ltd.

| | Billions of Yen | | |
|-------------------------|---------------------------------------|-----------|--------|
| | Nikko Asset Management (Consolidated) | | |
| | 1HFY2010 | 1HFY2009 | Change |
| Ordinary profit | 3.9 | ----- | ----- |
| Net income | 2.5 | ----- | ----- |
| | Sep. 2010 | Mar. 2010 | Change |
| Total assets | 58.7 | 59.7 | -1.0 |
| Net assets | 47.0 | 45.7 | 1.3 |
| Assets under management | 9,857.5 | 10,443.9 | -586.3 |

2. Assets and liabilities

(1) Balance of major accounts (Banking a/c and Principal guaranteed trust a/c combined)

1) Balance of major accounts

(Non-consolidated)

| | | Millions of Yen | | | | | |
|------------------------------------|-------------------|-------------------|-------------------|------------|-------------------|----------|-------------------|
| | | Sep. 2010 | | Mar. 2010 | | Change | |
| | | Total | Domestic branches | Total | Domestic branches | Total | Domestic branches |
| Loans and bills discounted | (Ending balance) | 11,748,584 | 10,858,181 | 12,184,208 | 11,303,968 | -435,623 | -445,786 |
| | (Average balance) | 11,682,649 | 10,868,474 | 11,608,278 | 10,951,066 | 74,371 | -82,591 |
| Banking account | (Ending balance) | 11,550,246 | 10,659,843 | 11,921,476 | 11,041,236 | -371,230 | -381,393 |
| | (Average balance) | 11,467,093 | 10,652,917 | 11,357,422 | 10,700,210 | 109,670 | -47,292 |
| Principal guaranteed trust account | (Ending balance) | 198,338 | 198,338 | 262,731 | 262,731 | -64,393 | -64,393 |
| | (Average balance) | 215,556 | 215,556 | 250,856 | 250,856 | -35,299 | -35,299 |
| Deposits(*) | (Ending balance) | 11,882,142 | 11,223,420 | 12,216,451 | 11,442,952 | -334,308 | -219,531 |
| | (Average balance) | 11,705,670 | 11,012,169 | 11,991,082 | 11,261,460 | -285,412 | -249,290 |
| Time deposits | (Ending balance) | 9,341,484 | 8,795,189 | 9,837,327 | 9,196,847 | -495,842 | -401,657 |
| | (Average balance) | 9,416,927 | 8,859,092 | 9,922,433 | 9,340,351 | -505,506 | -481,258 |
| Liquidity deposits(**) | (Ending balance) | 2,203,398 | 2,195,846 | 2,082,980 | 2,077,350 | 120,417 | 118,496 |
| | (Average balance) | 1,972,356 | 1,968,378 | 1,757,075 | 1,755,304 | 215,280 | 213,073 |
| Trust principal | (Ending balance) | 598,971 | 598,971 | 657,591 | 657,591 | -58,619 | -58,619 |
| | (Average balance) | 625,704 | 625,704 | 739,807 | 739,807 | -114,102 | -114,102 |

(*) Excluding NCDs and as to Domestic branches, excluding offshore accounts.

(**) Including Current deposits, Ordinary deposits and Deposits at notice.

2) Ending balance of domestic deposits classified by depositors

(Non-consolidated)

| | Millions of Yen | | |
|--|-------------------|------------|----------|
| | Sep. 2010 | Mar. 2010 | Change |
| Individuals | 8,897,132 | 8,882,693 | 14,438 |
| Deposits (*) | 8,447,655 | 8,394,937 | 52,717 |
| Trust principal (Principal guaranteed) | 449,477 | 487,756 | -38,279 |
| Corporations and other organizations | 2,323,767 | 2,474,290 | -150,523 |
| Deposits (*) | 2,174,272 | 2,304,454 | -130,182 |
| Trust principal (Principal guaranteed) | 149,494 | 169,835 | -20,340 |
| Others | 601,492 | 743,560 | -142,067 |
| Total | 11,822,392 | 12,100,543 | -278,151 |

(*) Excluding NCDs and offshore accounts

(2) Spread

(Non-consolidated)

1) Domestic banking a/c

| | Percentage points | | | |
|---|-------------------|----------|----------|----------------------|
| | 1HFY2010 | 2HFY2009 | 1HFY2009 | Change from 2HFY2009 |
| Average yield on interest-earning assets (A) | 1.24 | 1.35 | 1.43 | -0.11 |
| Loans and bills discounted (B) | 1.32 | 1.42 | 1.48 | -0.10 |
| Securities | 0.92 | 1.25 | 1.53 | -0.33 |
| Average yield on interest-bearing liabilities (C) | 0.46 | 0.50 | 0.54 | -0.04 |
| Deposits (D) | 0.46 | 0.51 | 0.55 | -0.05 |
| Gross margin (A) - (C) | 0.78 | 0.85 | 0.89 | -0.07 |
| Loan-deposit margin (B) - (D) | 0.86 | 0.91 | 0.93 | -0.05 |

2) Domestic banking a/c and principal guaranteed trust a/c combined

| | Percentage points | | | |
|---|-------------------|----------|----------|----------------------|
| | 1HFY2010 | 2HFY2009 | 1HFY2009 | Change from 2HFY2009 |
| Average yield on interest-earning assets (A) | 1.24 | 1.35 | 1.43 | -0.11 |
| Loans and bills discounted (B) | 1.32 | 1.41 | 1.48 | -0.09 |
| Securities | 0.92 | 1.25 | 1.53 | -0.33 |
| Average yield on interest-bearing liabilities (C) | 0.44 | 0.48 | 0.52 | -0.04 |
| Deposits (D) | 0.44 | 0.49 | 0.52 | -0.05 |
| Gross margin (A) - (C) | 0.80 | 0.87 | 0.91 | -0.07 |
| Loan-deposit margin (B) - (D) | 0.88 | 0.92 | 0.96 | -0.04 |

(3) Balance and sales volume of mutual fund/ individual annuity (for retail customers)

(Non-consolidated)

| | Billions of Yen | | | | | |
|--------------------|-----------------|----------------|-------------|-------------------------------|---------------------|---------------------|
| | Balance | | | Sales volume | | |
| | Sep. 2010 | Mar. 2010 | Change | FY2010 (from Apr. to Sep.) | FY2009 | |
| | | | | | (from Oct. to Mar.) | (from Apr. to Sep.) |
| Mutual fund | 1,017.1 | 1,075.5 | -58.4 | 130.3 | 133.9 | 87.2 |
| Fund wrap | 42.9 | 29.8 | 13.0 | 14.8 | 12.0 | 7.3 |
| Individual annuity | 750.7 | 691.6 | 59.0 | 77.3 | 82.7 | 50.0 |
| Total | 1,810.7 | 1,797.1 | 13.6 | 222.5 | 228.7 | 144.6 |

(4) Unrealized gains/ losses on investment securities

1) Held-to-maturity debt securities with fair value

(Consolidated)

| | Millions of Yen | | | | | | | |
|---------------------------------|-----------------|----------------|---------------|----------------|----------------|---------------|-------------------------|------------------|
| | Sep. 2010 | | | Mar. 2010 | | | Change of book value | Change of net |
| | Book value | Fair value | Net | Book value | Fair value | Net | | |
| Japanese Government Bonds | 209,843 | 220,363 | 10,520 | 236,046 | 244,094 | 8,047 | -26,203 | 2,472 |
| Japanese Local Government Bonds | - | - | - | - | - | - | - | - |
| Japanese Corporate Bonds | 20,896 | 20,922 | 26 | 23,286 | 23,392 | 105 | -2,390 | -79 |
| Others | 260,954 | 301,678 | 40,723 | 287,284 | 332,868 | 45,583 | -26,329 | -4,859 |
| Foreign bonds | 255,954 | 296,673 | 40,719 | 287,284 | 332,868 | 45,583 | -31,329 | -4,864 |
| Total | 491,695 | 542,965 | 51,270 | 546,618 | 600,355 | 53,737 | -54,923 | -2,467 |

Note : Prices of some of the overseas asset-backed securities have been changed from the prices collected from outside companies (broker or information vender) (herein after "market prices") to the rationally calculated prices. As a result, "Fair value" of the "Foreign bonds" have decreased by 254 million yen, as of the end of Sep. 2010.

(Non-consolidated)

| | Millions of Yen | | | | | | | |
|---------------------------------|-----------------|----------------|---------------|----------------|----------------|---------------|-------------------------|------------------|
| | Sep. 2010 | | | Mar. 2010 | | | Change of book value | Change of net |
| | Book value | Fair value | Net | Book value | Fair value | Net | | |
| Japanese Government Bonds | 209,507 | 220,018 | 10,510 | 235,710 | 243,751 | 8,041 | -26,203 | 2,469 |
| Japanese Local Government Bonds | - | - | - | - | - | - | - | - |
| Japanese Corporate Bonds | 20,896 | 20,922 | 26 | 23,286 | 23,392 | 105 | -2,390 | -79 |
| Others | 260,739 | 301,432 | 40,692 | 287,060 | 332,617 | 45,557 | -26,320 | -4,864 |
| Foreign bonds | 255,739 | 296,427 | 40,687 | 287,060 | 332,617 | 45,557 | -31,320 | -4,869 |
| Total | 491,143 | 542,373 | 51,229 | 546,057 | 599,762 | 53,704 | -54,914 | -2,474 |

Note : Prices of some of the overseas asset-backed securities have been changed from the market prices to the rationally calculated prices. As a result, "Fair value" of the "Foreign bonds" have decreased by 254 million yen, as of the end of Sep. 2010

2) Available-for-sale securities with fair value
(Consolidated)

| | Millions of Yen | | | | | | | |
|------------------------|------------------|------------------|---------------|------------------|------------------|---------------|-----------------|----------------|
| | Sep. 2010 | | | Mar. 2010 | | | Change of cost | Change of net |
| | Cost | Book value | Net | Cost | Book value | Net | | |
| Japanese stocks | 429,051 | 454,182 | 25,130 | 426,721 | 491,862 | 65,140 | 2,330 | -40,010 |
| Japanese bonds | 1,653,366 | 1,677,821 | 24,455 | 1,592,954 | 1,618,338 | 25,383 | 60,411 | -928 |
| Government bonds | 1,245,513 | 1,267,684 | 22,171 | 1,191,327 | 1,215,914 | 24,586 | 54,186 | -2,415 |
| Local government bonds | 16,859 | 17,180 | 321 | 11,847 | 11,829 | -18 | 5,011 | 339 |
| Corporate bonds | 390,993 | 392,955 | 1,962 | 389,779 | 390,594 | 815 | 1,213 | 1,146 |
| Others | 1,016,739 | 1,025,788 | 9,048 | 1,500,787 | 1,504,575 | 3,788 | -484,047 | 5,260 |
| Foreign stocks | 126 | 407 | 281 | 140 | 550 | 410 | -13 | -128 |
| Foreign bonds | 589,960 | 601,998 | 12,038 | 1,070,641 | 1,066,354 | -4,287 | -480,681 | 16,326 |
| Others | 426,653 | 423,382 | -3,271 | 430,005 | 437,671 | 7,665 | -3,352 | -10,937 |
| Total | 3,099,158 | 3,157,792 | 58,634 | 3,520,463 | 3,614,777 | 94,313 | -421,305 | -35,678 |

Note 1: Including NCDs in "Cash and Due from Banks", trust beneficiary certificates backed by loans in "Monetary Claims Bought" and so on, as well as securities.

Note 2: Prices of floating rate government bond and some of the overseas asset-backed securities have been changed from the market prices to the rationally calculated prices.

As a result, "Book value" of "Government bonds" has increased by 12,145 million yen, and "Book value" of "Foreign bonds" has increased by 46 million yen, as of the end of Sep. 20

(Non-consolidated)

| | Millions of Yen | | | | | | | |
|------------------------|------------------|------------------|---------------|------------------|------------------|---------------|-----------------|----------------|
| | Sep. 2010 | | | Mar. 2010 | | | Change of cost | Change of net |
| | Cost | Book value | Net | Cost | Book value | Net | | |
| Japanese stocks | 428,991 | 454,030 | 25,038 | 426,661 | 491,690 | 65,029 | 2,330 | -39,990 |
| Japanese bonds | 1,673,366 | 1,697,806 | 24,440 | 1,612,954 | 1,638,338 | 25,383 | 60,411 | -943 |
| Government bonds | 1,245,513 | 1,267,684 | 22,171 | 1,191,327 | 1,215,914 | 24,586 | 54,186 | -2,415 |
| Local government bonds | 16,859 | 17,180 | 321 | 11,847 | 11,829 | -18 | 5,011 | 339 |
| Corporate bonds | 410,993 | 412,940 | 1,947 | 409,779 | 410,594 | 815 | 1,213 | 1,131 |
| Others | 997,970 | 1,005,192 | 7,222 | 1,476,462 | 1,479,055 | 2,592 | -478,492 | 4,629 |
| Foreign stocks | 123 | 223 | 100 | 137 | 301 | 164 | -13 | -64 |
| Foreign bonds | 578,377 | 590,560 | 12,182 | 1,056,698 | 1,052,585 | -4,112 | -478,320 | 16,295 |
| Others | 419,468 | 414,408 | -5,060 | 419,626 | 426,167 | 6,541 | -157 | -11,601 |
| Total | 3,100,328 | 3,157,029 | 56,700 | 3,516,079 | 3,609,084 | 93,005 | -415,750 | -36,305 |

Note 1: Including NCDs in "Cash and Due from Banks", trust beneficiary certificates backed by loans in "Monetary Claims Bought" and so on, as well as securities.

Note 2: Prices of floating rate government bond and some of the overseas asset-backed securities have been changed from the market prices to the rationally calculated prices.

As a result, "Book value" of "Government bonds" has increased by 12,145 million yen, and "Book value" of "Foreign bonds" has increased by 46 million yen, as of the end of Sep. 20

3) Maturity ladder of securities

<Held-to-maturity debt securities with fair value and Available-for-sale securities with fair value>

(Non-consolidated)

| | | Millions of Yen | | | | | |
|---------------------------------|-----------|---------------------------|-------------------|---------------------|---------------|-------------|-----------|
| | | Less than 1 year | 1 year to 5 years | 5 years to 10 years | Over 10 years | No maturity | Total |
| | | Japanese government bonds | Mar. 2010 | 450,170 | 284,734 | 579,434 | 137,285 |
| | Sep. 2010 | 791,989 | 209,103 | 443,763 | 32,336 | - | 1,477,192 |
| Japanese local government bonds | Mar. 2010 | 2,948 | 5,157 | 3,723 | - | - | 11,829 |
| | Sep. 2010 | 1,736 | 8,534 | 6,909 | - | - | 17,180 |
| Japanese corporate bonds | Mar. 2010 | 71,003 | 305,287 | 48,599 | 8,990 | - | 433,881 |
| | Sep. 2010 | 68,211 | 297,932 | 58,715 | 8,977 | - | 433,837 |
| Japanese stocks | Mar. 2010 | ----- | ----- | ----- | ----- | 491,690 | 491,690 |
| | Sep. 2010 | ----- | ----- | ----- | ----- | 454,030 | 454,030 |
| Foreign securities and others | Mar. 2010 | 123,791 | 878,028 | 279,233 | 421,415 | 63,647 | 1,766,115 |
| | Sep. 2010 | 105,011 | 420,626 | 334,845 | 365,556 | 39,892 | 1,265,932 |
| Foreign bonds | Mar. 2010 | 121,776 | 787,206 | 190,853 | 239,809 | - | 1,339,646 |
| | Sep. 2010 | 103,391 | 282,144 | 257,332 | 203,432 | - | 846,300 |
| Foreign stocks | Mar. 2010 | ----- | ----- | ----- | ----- | 301 | 301 |
| | Sep. 2010 | ----- | ----- | ----- | ----- | 223 | 223 |

Note 1: Including NCDs in "Cash and Due from Banks", trust beneficiary certificates backed by loans in "Monetary Claims Bought" and so on, as well as securities.

(5) Unrealized gains/ losses of derivative transactions

(Non-consolidated)

| | Millions of Yen | | | | | |
|-----------------------|--|-----------|--------|--|-----------|---------|
| | Hedge accounting applied (deferred gains/ losses) | | | Hedge accounting not applied (unrealized gains/ losses) | | |
| | Sep. 2010 | Mar. 2010 | Change | Sep. 2010 | Mar. 2010 | Change |
| Interest rate related | -861 | 4,059 | -4,920 | 90,121 | 109,522 | -19,401 |
| Interest rate swaps | -861 | 4,059 | -4,920 | 150,641 | 177,754 | -27,113 |
| Currency related | 1,502 | 1,886 | -384 | 14,964 | 23,226 | -8,261 |
| Stock related | - | -5,835 | 5,835 | -48 | -181 | 132 |
| Bond related | - | - | - | -86 | -105 | 19 |
| Credit related | - | - | - | -1,333 | -530 | -802 |
| Total | 641 | 110 | 530 | 103,617 | 131,930 | -28,313 |

(6) Shareholdings

1) Shareholdings (with Fair value)

(Consolidated)

| | Billions of Yen | |
|----------------------|-----------------|-----------|
| | Sep. 2010 | Mar. 2010 |
| Cost basis (A) | 429.0 | 426.7 |
| Mark-to-market basis | 454.1 | 491.8 |
| Tier I (B) | 1,307.7 | 1,266.3 |
| Percentage (A) / (B) | 32.8% | 33.6% |

2) Unwinding of cross shareholdings (Cost basis)

(Non-consolidated)

| | Billions of Yen | | | |
|------------|-----------------|------------|----------|-----|
| | FY2010 | | FY2009 | |
| | 1HFY2010 | | 1HFY2009 | |
| Cost basis | ----- | 1.0 | 10.3 | 8.0 |

Note 1: Including cross shareholdings with no available fair value.

(7) Exposure to securitized products

1) Status of the international credit investment

a) Securities with fair value

i) Available-for-sale securities

(Non-consolidated)

| | | Billions of Yen | | | | | | |
|--|----------|-------------------------|-------------|-------------|-----------------------|-----------------------|-------------------------------------|-------------|
| | | Sep. 2010 | | | | | Unrealized gains/ losses (*1), (*2) | |
| | | Cost (after impairment) | | | Change from Mar. 2010 | Change from Mar. 2010 | | % |
| | | North America | Europe | | | | | |
| Asset-backed securities | 1 | 7.9 | 1.5 | 6.0 | -26.1 | 6.0 | 4.5 | 76.5% |
| RMBS (Residential mortgage) | 2 | 1.3 | - | 1.0 | -14.7 | 0.0 | 1.5 | 0.0% |
| CMBS (Commercial mortgage) | 3 | 4.9 | - | 4.9 | -9.2 | -0.3 | 2.1 | -7.9% |
| CARDS (Credit card receivables) | 4 | 0.8 | 0.8 | - | -1.9 | -0.0 | 0.0 | -0.4% |
| Corporate bonds | 5 | 164.0 | 10.1 | 45.6 | -77.9 | 7.1 | 1.2 | 4.3% |
| Bonds issued by financial institutions | 6 | 33.9 | 2.5 | 17.3 | -25.5 | -0.3 | 1.1 | -1.0% |
| Total | 7 | 171.9 | 11.6 | 51.7 | -104.1 | 13.1 | 5.8 | 7.7% |

(*1) As a result of using rationally calculated prices instead of market prices, "Book value" of asset-backed securities increased by 0.0 billion yen.

(*2) "Cost" and "Unrealized gains/ losses" of asset-backed securities and corporate bonds guaranteed by "Monoline" insurance companies are 0.0 billion yen and 0.0 billion yen, respectively, as of the end of Sep. 2010.

(*3) There are no securities issued by government sponsored enterprises (Fannie Mae, Freddie Mac, FHLM).

ii) Held-to-maturity debt securities

(Non-consolidated)

| | | Billions of Yen | | | | | | |
|---------------------------------|----|-----------------|--------|-------|-----------------------|-----------------------|-------------------------------------|-------|
| | | Sep. 2010 | | | | | Unrealized gains/ losses (*1), (*2) | |
| | | Cost | | | Change from Mar. 2010 | Change from Mar. 2010 | | % |
| | | North America | Europe | | | | | |
| Asset-backed securities | 8 | 228.3 | 113.9 | 114.4 | -34.3 | 39.5 | -5.9 | 17.3% |
| RMBS (Residential mortgage) | 9 | 76.2 | - | 76.2 | -15.5 | 10.3 | -0.4 | 13.6% |
| CARDS (Credit card receivables) | 10 | 32.8 | 27.8 | 4.9 | -6.6 | 7.5 | -2.0 | 23.1% |
| CLO (Corporate loans) | 11 | 118.6 | 85.5 | 33.1 | -11.8 | 21.5 | -3.5 | 18.2% |

(*1) As a result of using rationally calculated prices instead of market prices, "Fair value" of asset-backed securities decreased by 0.2 billion yen.

(*2) Unamortized amount of unrealized gains/ losses resulting from reclassification is -66.4 billion yen as of the end of Sep. 2010.

(*3) Vintage of RMBS : 2007: 11.02%, 2006: 34.64%, 2005 and before : 54.34%

iii) Credit ratings

(Non-consolidated)

| | | Billions of Yen | | | | | | |
|----------------------------------|----|-----------------|------|-------|------|--------------|-------------------------|--|
| | | Sep. 2010 | | | | | Cost (after impairment) | |
| | | AAA | AA | A | BBB | BB and below | | |
| Available-for-sale securities | 12 | 171.9 | 4.0 | 19.5 | 74.6 | 56.5 | 17.1 | |
| Asset-backed securities | 13 | 7.9 | 4.0 | 1.9 | 0.3 | 0.8 | 0.7 | |
| Corporate bonds | 14 | 164.0 | - | 17.5 | 74.3 | 55.7 | 16.3 | |
| Held-to-maturity debt securities | 15 | 228.3 | 52.3 | 114.7 | 37.9 | 23.3 | - | |

b) Securities with no available fair value

(Non-consolidated)

| | | Billions of Yen | | | |
|---|----|-------------------------|--------|-----------------------|------|
| | | Sep. 2010 | | | |
| | | Cost (after impairment) | | | |
| | | North America | Europe | Change from Mar. 2010 | |
| Securities with no available fair value | 16 | 20.8 | 8.9 | 6.7 | -2.3 |

c) Exposure to corporate loans

(Non-consolidated)

| | | Billions of Yen | | | | | | |
|----------------------|----|-----------------|--------|------|-----------------------|------------------------------|------------------------------|-------|
| | | Sep. 2010 | | | | | Internal Credit Ratings (*2) | |
| | | Balance | | | Change from Mar. 2010 | Internal Credit Ratings (*2) | | |
| | | North America | Europe | | | 1 - 4 | 5 - 6 | 7 - 8 |
| Corporate loans (*1) | 17 | 203.3 | 97.5 | 32.3 | -42.8 | 71.4 | 110.9 | 20.9 |

(*1) There are no subprime related loans.

(*2) Internal Credit Ratings: 1-6: Ordinary debtors, 7-8: Special mention debtors (except for Substandard debtors)

d) Total substantial credit costs (Losses related to international credit investments)

(Non-consolidated)

| | | Billions of Yen | | |
|----------------------------|-----------|-----------------|-----------------------|----------|
| | | 1HFY2010 | | |
| | | Losses on sale | Losses on devaluation | |
| Asset-backed securities | 18 | -2.8 | -2.8 | - |
| Corporate bonds | 19 | -1.8 | -1.8 | - |
| Corporate loans and others | 20 | 0.7 | -0.4 | - |
| Total | 21 | -4.0 | -5.1 | - |

2) Status of domestic credit investment

a) Exposure to asset-backed securities

(Non-consolidated)

| | | Billions of Yen | | | | | | |
|--|---|-------------------------|--------------------------|--------------------------|-------|-------|-------------------------|------|
| | | Sep. 2010 | | | | | | |
| | | Cost (after impairment) | | Unrealized gains/ losses | | | Internal Credit Ratings | |
| | | | Change from Mar. 2010 | Change from Mar. 2010 | % | 1-4 | 5-6 | |
| Asset-backed securities with fair value | 1 | 300.1 | -72.4 | -3.3 | 1.1 | -1.1% | 243.1 | 53.0 |
| Residential Mortgage loans | 2 | 195.9 | -28.7 | -2.5 | 0.7 | -1.3% | 191.0 | 1.9 |
| Other consumer loans | 3 | 9.9 | -12.2 | 0.0 | -0.0 | 0.7% | 9.9 | - |
| Commercial real estate-secured loans | 4 | 20.1 | -10.2 | -0.5 | 0.0 | -2.7% | 16.4 | 3.5 |
| Corporate loans and bonds | 5 | 66.8 | -16.1 | -0.3 | 0.3 | -0.5% | 18.3 | 47.4 |
| Claims on lease payments | 6 | 7.3 | -5.0 | 0.0 | -0.0 | 0.4% | 7.3 | - |
| Asset-backed securities with no available fair value | 7 | 0.1 | -1.1 | ----- | ----- | ----- | - | 0.0 |
| Other consumer loans | 8 | 0.0 | -1.0 | ----- | ----- | ----- | - | 0.0 |
| Corporate loans and bonds | 9 | 0.0 | -0.0 | ----- | ----- | ----- | - | - |

Note: Categorized by collateralized assets

b) Domestic LBO finance

(Non-consolidated)

| | | Billions of Yen | | | | |
|----------------------|----|-----------------|--------------------------|-------------------------|------|-----|
| | | Sep. 2010 | | | | |
| | | Balance | | Internal Credit Ratings | | |
| | | | Change from Mar. 2010 | 1-4 | 5-6 | 7-8 |
| Domestic LBO finance | 10 | 57.8 | -4.9 | 2.7 | 45.3 | 9.7 |

3) Off-balance risk from Special Purpose Entities(SPEs)

a) SPE related transactions collateralized by overseas assets

There are no transactions that STB sponsors or complements SPEs' liquidity and/or credit.

b) SPE related transactions collateralized by domestic assets

STB complements liquidity and credit for the purpose of facilitating domestic Asset-backed Commercial Paper(ABCP) programs of SPEs which were established in order to meet customers' needs such as raising funds and securitizing assets.

As of the end of Sep. 2010, the balance of outstanding ABCP and collateral are 289.9 billion yen and 400.3 billion yen, respectively, and major collateralized assets are account receivables.

(8) Non-performing loans
After partial direct written-off1) Assets classified under the Financial Reconstruction Law (Banking a/c and principal guaranteed trust a/c combined)
(Non-consolidated)

| | Millions of Yen | | | | |
|--|-------------------|------------|------------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Assets classified under the Financial Reconstruction Law (a) | 161,540 | 176,475 | 309,159 | -14,934 | -147,619 |
| Loans in bankrupt and practically bankrupt | 10,332 | 17,582 | 26,094 | -7,249 | -15,761 |
| Doubtful loans | 66,789 | 61,223 | 242,212 | 5,565 | -175,423 |
| Substandard loans (b) | 84,418 | 97,668 | 40,852 | -13,250 | 43,565 |
| Ordinary assets | 12,065,051 | 12,508,847 | 11,959,395 | -443,796 | 105,656 |
| Loans to substandard debtors (excluding Substandard loans) (c) | 29,944 | 37,420 | 10,981 | -7,476 | 18,963 |
| Loans to special mention debtors (excluding (b) and (c)) | 483,849 | 586,761 | 608,122 | -102,911 | -124,272 |
| Loans to ordinary debtors | 11,551,257 | 11,884,665 | 11,340,291 | -333,408 | 210,965 |
| Total loan balance (d) | 12,226,592 | 12,685,323 | 12,268,555 | -458,730 | -41,962 |
| (Ratio to total loan balance (a) / (d)) | (1.3%) | (1.4%) | (2.5%) | (-0.1%) | (-1.2%) |
| Loans to substandard debtors (b) + (c) | 114,363 | 135,089 | 51,833 | -20,726 | 62,529 |

Note1: Partial direct written-off: Sep. 2010: 28,092 million yen, Mar. 2010: 28,453 million yen, Sep. 2009: 29,727 million yen

Note2: Private placement bonds with bank's guarantee are posted in fair value from Mar. 2010.

2) Asset classified under the Financial Reconstruction Law as of Sep. 2010 (Non-consolidated)
(Banking a/c and principal guaranteed trust a/c combined)

(Millions of Yen)

| | Balance | Coverage ratio | Collateral/Reserves | | Reserve ratio |
|---|----------------------------|----------------|--|----------------------|---------------------------------------|
| | | | | | |
| Loans in bankrupt/ practically bankrupt (A) | (a) 10,332 (17,582) | 100% (100%) | Specific allowance for loan losses (b) | 6,481 | 100% (100%) (b) / ((a) - (c)) |
| | | | Guarantee and collateral (c) | 3,851 | |
| Doubtful loans (B) | (d) 66,789 (61,223) | 90% (86%) | Uncovered | 6,378 | 82% (77%) (e) / ((d) - (f)) |
| | | | Specific allowance for loan losses (e) | 30,168 | |
| | | | Guarantee and collateral (f) | 30,243 | |
| Substandard loans (C) | (g) 84,418 (97,668) | 72% (72%) | Uncovered | 23,414 | 19% (22%) (h) / ((g) - (i)) |
| | | | General allowance for loan losses (h) | 5,621 | |
| | | | Guarantee and collateral (i) | 55,383 | |
| Ordinary assets | 12,065,051 (12,508,847) | | General allowance for loan losses | 45,647 | |
| | | | Allowance for loan losses in specified foreign countries | - | |
| Figures are after partial direct written-off of 28,092 million yen. | | | | | |
| Total loan balance | 12,226,592 (12,685,323) | | Total of (A), (B) and (C) | 161,540 (176,475) | Ratio to total loan balance 1.3% |

Note1: Numbers in parenthesis are as of Mar. 2010

Note2: Other than above mentioned, there is Reserves for loan trust of 367 million yen and Reserves for JOMT (Jointly-operated money trust) of 406 million yen.

3) Risk managed loans (Banking a/c and principal guaranteed trust a/c combined)

(Consolidated)

| | Millions of Yen | | | | |
|-----------------------------------|-------------------|------------|------------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Risk managed loans | 193,507 | 214,422 | 363,583 | -20,914 | -170,076 |
| Loans in bankruptcy proceedings | 2,930 | 9,178 | 19,178 | -6,247 | -16,248 |
| Other delinquent loans | 102,196 | 103,936 | 300,572 | -1,739 | -198,375 |
| Loans more than 3 months past due | 500 | 0 | 40 | 499 | 459 |
| Restructured loans | 87,879 | 101,306 | 43,791 | -13,426 | 44,087 |
| Total loans under risk management | 11,460,340 | 11,949,361 | 11,485,905 | -489,020 | -25,564 |
| (Ratio to total loan balance) | (1.7%) | (1.8%) | (3.2%) | (-0.1%) | (-1.5%) |

Note: Partial direct written-off: Sep. 2010: 49,584 million yen, Mar. 2010: 53,027 million yen, Sep. 2009: 62,666 million yen

(Non-consolidated)

| | Millions of Yen | | | | |
|-----------------------------------|-------------------|------------|------------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Risk managed loans | 154,440 | 169,178 | 300,529 | -14,738 | -146,088 |
| Loans in bankruptcy proceedings | 1,498 | 7,693 | 16,424 | -6,195 | -14,926 |
| Other delinquent loans | 68,524 | 63,816 | 243,252 | 4,707 | -174,727 |
| Loans more than 3 months past due | 500 | - | 40 | 500 | 460 |
| Restructured loans | 83,918 | 97,668 | 40,812 | -13,750 | 43,105 |
| Total loans under risk management | 11,748,584 | 12,184,208 | 11,723,215 | -435,623 | 25,369 |
| (Ratio to total loan balance) | (1.3%) | (1.4%) | (2.6%) | (-0.1%) | (-1.3%) |

Note: Partial direct written-off: Sep. 2010: 28,092 million yen, Mar. 2010: 28,453 million yen, Sep. 2009: 29,727 million yen

3. Capital and total risk-weighted assets (Basel II)

(1) Risk measurement methodologies

| | |
|-------------------|---|
| Credit risk: | Foundation Internal Ratings-Based Approach(*) |
| Market risk: | Internal Models Approach |
| Operational risk: | Standardized Approach |

(*) The Standardized Approach is applied to the material consolidated subsidiaries as the phased rollout of the Foundation Internal Ratings-Based Approach. Sumitomo Trust plans for these business units a transition to the Foundation Internal Ratings-Based Approach, when it will have a suitable risk management system. The Standardized Approach is duly applicable in light of materiality to the business units such as small-sized subsidiaries as the exception of the Foundation Internal Ratings-Based Approach.

(2) BIS capital adequacy ratio (Preliminary)

(Consolidated)

| | Millions of Yen | | | | |
|---|-------------------|------------|------------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Total qualifying capital | 1,835,839 | 1,777,360 | 1,818,913 | 58,478 | 16,926 |
| Tier I | 1,307,783 | 1,266,342 | 1,268,713 | 41,440 | 39,070 |
| Shareholders' equity | 1,175,048 | 1,133,388 | 1,110,088 | 41,659 | 64,960 |
| (Preferred shares) | (109,000) | (109,000) | (109,000) | (-) | (-) |
| Less: Unrealized loss on available-for-sale securities | 11,746 | 335 | 9,676 | 11,411 | 2,069 |
| Minority interest | 302,629 | 301,361 | 307,153 | 1,267 | -4,523 |
| (Noncumulative preferred securities issued by overseas special purpose companies) | (280,000) | (280,000) | (280,000) | (-) | (-) |
| Less: Goodwill equivalents | 123,794 | 133,092 | 102,715 | -9,298 | 21,078 |
| Less: Equivalent to 50% of the excess of expected loss over qualifying reserves | 18,695 | 22,141 | 25,348 | -3,445 | -6,652 |
| Tier II | 627,023 | 606,622 | 632,863 | 20,400 | -5,839 |
| Upper Tier II | 193,101 | 196,714 | 216,964 | -3,612 | -23,862 |
| 45% of unrealized gain on available-for-sale securities | - | - | - | - | - |
| 45% of revaluation reserve for land | 447 | 505 | 567 | -57 | -120 |
| General allowance for loan losses | 7,670 | 9,294 | 8,511 | -1,623 | -840 |
| Perpetual subordinated debt | 184,984 | 186,915 | 207,885 | -1,931 | -22,901 |
| Lower Tier II | 433,921 | 409,907 | 415,899 | 24,013 | 18,022 |
| Subordinated term debt and fixed-term preferred shares | 433,921 | 409,907 | 415,899 | 24,013 | 18,022 |
| Less: Deduction (double gearing, etc.) | 98,967 | 95,604 | 82,662 | 3,362 | 16,304 |
| Total risk-weighted assets | 12,473,759 | 12,831,367 | 12,834,331 | -357,607 | -360,571 |
| Amount of credit risk-weighted assets | 11,584,447 | 11,963,692 | 12,029,936 | -379,244 | -445,488 |
| Amount of market risk equivalents | 141,986 | 96,869 | 131,631 | 45,116 | 10,354 |
| Amount of operational risk equivalents | 747,325 | 770,806 | 672,763 | -23,480 | 74,562 |
| BIS capital adequacy ratio | 14.71% | 13.85% | 14.17% | 0.86% | 0.54% |
| (Tier I capital ratio) | (10.48%) | (9.86%) | (9.88%) | (0.62%) | (0.60%) |

Note : Non-consolidated BIS capital adequacy ratio and Tier I capital ratio as of Sep. 2010 are 16.17% and 11.63%, respectively.

(3) Monitoring the interest rate risk of the banking account (Outlier ratio)

a. Measurement methodology

Grid Point Sensitivity Approach

b. Selected level of confidence or interest rate shock

For assets in Japanese yen, US dollar and Euro, 1st and 99th percentile of observed interest rate changes using a 1 year holding period and a minimum of 5 years of observations. For assets in the currencies less than 5% of total assets or liabilities, an upward and downward 200 basis points parallel rate shock.

c. Definition of core deposits

The upper limit of the core deposits is defined as the minimum of the following:

(a) minimum balance in the last 5 years, (b) the balance after deducting the maximum annual outflow in the last 5 years from the current balance, or (c) the equivalent of 50% of the current balance. The maturity of up to 5 years (average 2.5 years) is assumed.

d. Outlier ratio

Outlier ratio was 1.16%, below the outlier level (more than 20%).

(Consolidated)

| | Billions of Yen | | |
|------------------------------|-------------------------|-----------|--------|
| | Sep. 2010 (Preliminary) | Mar. 2010 | Change |
| Total interest rate risk (A) | 22.3 | 24.7 | -2.3 |
| Tier I + Tier II (B) | 1,934.8 | 1,872.9 | 61.8 |
| Outlier ratio (A) / (B) | 1.16% | 1.32% | -0.16% |

4. Forecast

(1) Forecast for full FY2010

The earnings and dividend forecasts for full FY2010 remain unchanged as announced on October 7, 2010

The year-end dividend per share for FY2010 will be calculated and paid by deducting the interim dividend per share from the annual dividend(*1) per share based on the dividend policy which targets consolidated dividend payout ratio

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

| | Billions of Yen | | | |
|---|------------------------------|-------------------|---------------------|----------------|
| | Forecast for Full FY2010 (A) | 1HFY2010 (Actual) | FY2009 (Actual) (B) | Change (A)-(B) |
| <u>(Consolidated)</u> | | | | |
| Net business profit before credit costs | 175.0 | 83.0 | 197.8 | -22.8 |
| Ordinary profit | 120.0 | 61.5 | 148.1 | -28.1 |
| Net income | 85.0 | 54.0 | 53.1 | 31.8 |
| <hr/> | | | | |
| Dividend on common stock per share (Yen) | 12.00 | 6.00 | 10.00 | 2.00 |
| Consolidated dividend payout ratio (%) (*2) | 25.0% | ----- | 33.1% | -8.1% |
| <hr/> | | | | |
| <u>(Non-consolidated)</u> | | | | |
| Net business profit before credit costs | 135.0 | 60.4 | 175.4 | -40.4 |
| Total credit costs (*3) | -20.0 | -1.6 | -6.9 | -13.0 |
| Other non-recurring profit | -25.0 | -16.0 | -41.0 | 16.0 |
| Ordinary profit | 90.0 | 42.6 | 127.5 | -37.5 |
| Extraordinary profit/ loss | -15.0 | -11.8 | -49.7 | 34.7 |
| Total credit costs | 0.0 | 5.5 | 15.3 | -15.3 |
| Net income | 75.0 | 48.4 | 21.6 | 53.3 |
| <hr/> | | | | |
| <u>(Total substantial credit costs)</u> | | | | |
| Consolidated | -35.0 | -9.9 | -4.2 | -30.7 |
| Non-consolidated | -25.0 | -3.6 | 7.4 | -32.4 |
| Domestic | -20.0 | 0.3 | 10.6 | -30.6 |
| International | -5.0 | -4.0 | -3.1 | -1.8 |
| Group companies | -10.0 | -6.2 | -11.7 | 1.7 |

(*2) Consolidated dividend payout ratio

= { Total amount of dividends for common shares / (Consolidated net income - Total amount of dividends for preferred shares) } X 100

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

Note: Forecast is subject to change.

II. Supplementary information

1. Outline of the financial results

(1) Major subsidiaries and affiliates

| Company names | Capital | Primary business | STB Group's share in voting rights | | Net income (Billions of Yen) | | |
|--|------------------|--|---------------------------------------|---------|---------------------------------|----------|--------|
| | | | (STB's share in voting rights) | | 1HFY2010 | 1HFY2009 | Change |
| (Subsidiaries) | | | | | | | |
| The Sumishin Shinko Co., Ltd. | JPY 50 mil. | Property maintenance | 100 | (100) | 0.0 | 0.0 | 0.0 |
| Sumishin Guaranty Co., Ltd. | JPY 300 mil. | Housing loan guaranty | 100 | (100) | 0.6 | 0.7 | -0.0 |
| First Credit Corporation | JPY 13,500 mil. | Finance services | 100 | (100) | 33.0 | 1.1 | 31.9 |
| STB Wealth Partners Co., Ltd. | JPY 155 mil. | Consulting | 100 | (100) | -0.0 | 0.0 | -0.0 |
| Sumishin Real Estate Loan & Finance, Ltd. (*1) | JPY 6,000 mil. | Finance services | 100 | (100) | 0.7 | 2.2 | -1.4 |
| Sumishin Business Service Co., Ltd. | JPY 80 mil. | Agency services/ Temporary staffing/ Training services | 100 | (100) | -0.0 | 0.0 | -0.0 |
| STB Real Estate Investment Management Co., Ltd. | JPY 300 mil. | Asset management | 100 | (100) | 0.1 | 0.1 | -0.0 |
| Nikko Asset Management Co., Ltd. | JPY 17,363 mil. | Asset management | 98.59 | (98.59) | 2.5 | ----- | ----- |
| Sumishin Panasonic Financial Services Co., Ltd. (*2) | JPY 25,584 mil. | General leasing/ Credit cards | 84.90 | (84.90) | 6.0 | ----- | ----- |
| Japan TA Solution, Ltd. | JPY 2,005 mil. | Development and management of systems/ Operations of entrusted data processing | 80 | (80) | 0.1 | -0.7 | 0.8 |
| Sumishin Card Co., Ltd. | JPY 50 mil. | Credit cards | 95 | (50) | 0.0 | 0.0 | -0.0 |
| STB Investment Corporation | JPY 35 mil. | Venture capital | 100 | (40) | -0.0 | -0.0 | -0.0 |
| Sumishin Information Service Co., Ltd. | JPY 100 mil. | Information technology/ Commissioned accounting operation | 100 | (35) | 0.0 | 0.2 | -0.1 |
| STB Asset Management Co., Ltd. | JPY 300 mil. | Asset management | 100 | (30) | 0.2 | 0.2 | 0.0 |
| STB Research Institute Co., Ltd. | JPY 300 mil. | Research and consulting/ Asset management | 100 | (29.83) | -0.0 | -0.0 | 0.0 |
| Sumishin Realty Co., Ltd. | JPY 300 mil. | Residential brokerage | 100 | (5) | 0.1 | -0.1 | 0.3 |
| The Sumitomo Trust Finance (H.K.) Ltd. | USD 45 mil. | Banking and security services | 100 | (100) | 0.1 | 0.2 | -0.1 |
| Sumitomo Trust and Banking (Luxembourg) S.A. | USD 30 mil. | Banking, security and trust services | 100 | (100) | 0.1 | 0.1 | -0.0 |
| Sumitomo Trust and Banking Co. (U.S.A.) | USD 56 mil. | Banking and trust services | 100 | (100) | 0.3 | 0.5 | -0.1 |
| STB Preferred Capital 2 (Cayman) Ltd. | JPY 51,500 mil. | Finance services | 100 | (100) | 0.7 | 0.7 | 0.0 |
| STB Preferred Capital 3 (Cayman) Ltd. | JPY 51,500 mil. | Finance services | 100 | (100) | 0.7 | 0.7 | 0.0 |
| STB Preferred Capital 4 (Cayman) Ltd. | JPY 111,600 mil. | Finance services | 100 | (100) | 2.3 | 2.2 | 0.0 |
| STB Preferred Capital 5 (Cayman) Ltd. | JPY 70,900 mil. | Finance services | 100 | (100) | 1.7 | 1.7 | 0.0 |
| STB Omega Investment Ltd. | USD 60 mil. | Finance services | 75 | (75) | 0.3 | -0.1 | 0.4 |
| (Affiliates) | | | | | | | |
| SBI Sumishin Net Bank, Ltd. | JPY 31,000 mil. | Banking | 50 | (50) | 1.4 | 1.2 | 0.1 |
| Japan Pension Operation Service, Ltd. | JPY 1,500 mil. | Pension plan administration services | 50 | (50) | 0.0 | 0.0 | -0.0 |
| BUSINEXT CORPORATION | JPY 9,000 mil. | Finance services | 40 | (40) | 0.2 | -0.5 | 0.7 |
| Sumishin Life Card Co., Ltd. | JPY 255 mil. | Credit cards | 40 | (40) | 0.0 | 0.0 | -0.0 |
| Top REIT Asset Management Co., Ltd. | JPY 300 mil. | Investment company (Asset management) | 38 | (38) | 0.1 | 0.1 | 0.0 |
| HR One Corporation | JPY 519 mil. | Employees data administration | 35.89 | (35.89) | 0.0 | 0.0 | 0.0 |
| Japan Trustee Services Bank, Ltd. (*3) | JPY 51,000 mil. | Trust and banking | 33.33 | (33.33) | 0.5 | -0.8 | 1.4 |
| Japan Trustee Information Systems, Ltd. (*3) | JPY 300 mil. | Information technology/ Commissioned accounting operation | 100 | (-) | 0.1 | 0.1 | -0.0 |

(*1) Life Housing Loan, Ltd. has changed its corporate name to Sumishin Real Estate Loan & Finance, Ltd. as First Credit Corporation has transferred a part of its business to Life Housing

(*2) Sumishin Matsushita Financial Services Co., Ltd. has merged with STB Leasing Co., Ltd. on April 1, 2010, and changed its corporate name to Sumishin Panasonic Financial

(*3) Japan Trustee Services Bank, Ltd. has merged with Japan Trustee Information Systems, Ltd. on October 1, 2010.

2. Assets and liabilities

(1) Loans

1) Loans to small and mid-sized enterprises (SMEs)

(Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)

| | Percentage points, Millions of Yen | | | | |
|-----------------------------|------------------------------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Ratio to total loan balance | 47.3 | 47.9 | 47.6 | -0.6 | -0.3 |
| Loan balance | 5,139,696 | 5,416,062 | 5,193,692 | -276,366 | -53,995 |

2) Consumer loans

(Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)

| | Millions of Yen | | | | |
|--------------------------------------|-----------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Residential mortgage loans | 1,899,928 | 1,829,650 | 1,681,475 | 70,278 | 218,453 |
| Loans to individual for business use | 195,072 | 199,938 | 204,799 | -4,865 | -9,726 |
| Other consumer loans | 139,452 | 150,128 | 151,610 | -10,676 | -12,157 |
| Total | 2,234,454 | 2,179,717 | 2,037,885 | 54,736 | 196,569 |

3) The loan terms revision based on "Act concerning temporary measures to facilitate financing for SMEs, etc"

(Preliminary) (Non-consolidated)

| | Number of debts, Millions of Yen | | | | | |
|--|--|--------|------------|--------|----------------------------|--------|
| | Cumulative total from 2009/12/4 to 2010/9/30 | | | | | |
| | | | SMEs | | Residential mortgage loans | |
| | # of debts | Amount | # of debts | Amount | # of debts | Amount |
| Apply for the loan terms revision | 651 | 26,594 | 177 | 18,941 | 474 | 7,652 |
| The loan terms revision has been executed | 408 | 19,709 | 132 | 15,268 | 276 | 4,440 |
| The loan terms revision has been refused | 5 | 78 | 1 | 7 | 4 | 70 |
| The loan terms revision is under review | 71 | 1,644 | 12 | 742 | 59 | 901 |
| The loan terms revision has been abandoned | 167 | 5,162 | 32 | 2,922 | 135 | 2,240 |

Note: The definition of "the loan terms revision" is based on "Act concerning temporary measures to facilitate financing for SMEs, etc".

4) Real estate non recourse loans

(Banking a/c) (Non-consolidated)

| | Billions of Yen | | | | |
|--------------|-----------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Loan balance | 801.0 | 831.3 | 882.2 | -30.3 | -81.1 |

Note: Addition to the listed above, there are loans to REIT (274.9 billion yen) and investments in CMBS (20.1 billion yen) as of Sep. 2010.

5) Overseas loans by borrowers' location

(Banking a/c) (Non-consolidated)

| | Millions of Yen | | | | | | |
|------------------|-----------------|--------------|---------|-----------|-----------|----------|--------|
| | Sep. 2010 | | | Mar. 2010 | | Change | |
| | Japanese | Non-Japanese | | Japanese | Japanese | Japanese | |
| Total | 1,326,020 | 1,125,724 | 200,296 | 1,288,950 | 1,046,542 | 37,070 | 79,182 |
| North America | 383,649 | 283,732 | 99,917 | 401,747 | 277,788 | -18,097 | 5,943 |
| Europe | 170,473 | 141,261 | 29,211 | 177,887 | 135,045 | -7,414 | 6,216 |
| Latin America | 287,756 | 278,819 | 8,937 | 256,880 | 246,926 | 30,875 | 31,892 |
| Asia and Oceania | 428,676 | 390,246 | 38,429 | 396,826 | 357,058 | 31,850 | 33,188 |

6) Loans by industry

(Non-consolidated)

| | Millions of Yen | | | | | | |
|---|-----------------|---------------|---------------------|----------|-------------|---------------|---------------------|
| | Sep. 2010 | | | | Mar. 2010 | | |
| | Banking a/c | Trust a/c (*) | Banking + Trust a/c | | Banking a/c | Trust a/c (*) | Banking + Trust a/c |
| Domestic Branches (excluding offshore) | 10,659,843 | 198,338 | 10,858,181 | -445,786 | 11,041,236 | 262,731 | 11,303,968 |
| Manufacturing | 1,803,901 | 13,665 | 1,817,567 | -79,352 | 1,883,143 | 13,776 | 1,896,919 |
| Agriculture, forestry, fisheries, mining, quarrying of stone and gravel | 24,041 | - | 24,041 | 3,871 | 20,170 | - | 20,170 |
| Construction | 101,271 | - | 101,271 | -4,282 | 105,553 | - | 105,553 |
| Electricity, gas, heat supply and water | 192,497 | 323 | 192,821 | 29,512 | 162,902 | 406 | 163,308 |
| Information and communications | 195,493 | - | 195,493 | -21,021 | 216,514 | - | 216,514 |
| Transport and postal activities | 718,967 | 10,009 | 728,977 | 8,343 | 711,102 | 9,531 | 720,634 |
| Wholesale and retail trade | 891,185 | 2,242 | 893,427 | -42,523 | 932,209 | 3,742 | 935,951 |
| Finance and insurance | 1,615,957 | 33,000 | 1,648,957 | -223,851 | 1,789,808 | 83,000 | 1,872,808 |
| Real estate | 1,748,612 | 30,648 | 1,779,260 | -72,484 | 1,818,729 | 33,015 | 1,851,745 |
| Goods rental and leasing | 664,255 | 24,500 | 688,755 | -141,158 | 801,913 | 28,000 | 829,913 |
| Others | 2,703,659 | 83,949 | 2,787,609 | 97,160 | 2,599,189 | 91,259 | 2,690,448 |
| Overseas branches and offshore | 890,402 | - | 890,402 | 10,162 | 880,240 | - | 880,240 |
| Total | 11,550,246 | 198,338 | 11,748,584 | -435,623 | 11,921,476 | 262,731 | 12,184,208 |

Note: Above table is made based on the categorization of "Survey on loans by industry" of Bank of Japan.

(*) Trust a/c is principal guaranteed trust a/c

(2) Assets classified under the Financial Reconstruction Law

After partial direct written-offs

1) Banking a/c (Non-consolidated)

| | Millions of Yen | | | | |
|--|-------------------|------------|------------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Assets classified under the Financial Reconstruction Law (a) | 145,087 | 163,063 | 294,859 | -17,975 | -149,771 |
| Loans in bankrupt and practically bankrupt | 10,277 | 17,519 | 25,915 | -7,242 | -15,637 |
| Doubtful loans | 50,541 | 47,993 | 228,218 | 2,547 | -177,677 |
| Substandard loans (b) | 84,268 | 97,549 | 40,725 | -13,281 | 43,542 |
| Ordinary assets | 11,883,166 | 12,259,528 | 11,722,697 | -376,361 | 160,469 |
| Loans to substandard debtors (excluding Substandard loans) (c) | 29,910 | 37,384 | 10,943 | -7,474 | 18,966 |
| Loans to special mention debtors (excluding (b) and (c)) | 479,345 | 578,402 | 600,059 | -99,056 | -120,713 |
| Loans to ordinary debtors | 11,373,909 | 11,643,741 | 11,111,694 | -269,831 | 262,215 |
| Total loan balance (d) | 12,028,254 | 12,422,591 | 12,017,556 | -394,337 | 10,697 |
| (Ratio to total loan balance (a) / (d)) | (1.2%) | (1.3%) | (2.5%) | (-0.1%) | (-1.3%) |
| Loans to substandard debtors (b) + (c) | 114,178 | 134,934 | 51,669 | -20,755 | 62,509 |

Note1: Partial direct written-off: Sep. 2010: 28,092 million yen, Mar. 2010: 28,453 million yen, Sep. 2009: 29,727 million yen

Note2: Private placement bonds with the bank's guarantee are posted in fair value from Mar. 2010.

2) Principal guaranteed trust a/c (Non-consolidated)

| | Millions of Yen | | | | |
|--|-----------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Assets classified under the Financial Reconstruction Law (e) | 16,453 | 13,411 | 14,300 | 3,041 | 2,152 |
| Loans in bankrupt and practically bankrupt | 55 | 62 | 179 | -7 | -124 |
| Doubtful loans | 16,247 | 13,229 | 13,993 | 3,017 | 2,253 |
| Substandard loans (f) | 149 | 119 | 126 | 30 | 23 |
| Ordinary assets | 181,885 | 249,319 | 236,698 | -67,434 | -54,813 |
| Loans to substandard debtors (excluding Substandard loans) (g) | 34 | 35 | 37 | -1 | -3 |
| Loans to special mention debtors (excluding (f) and (g)) | 4,503 | 8,359 | 8,063 | -3,855 | -3,559 |
| Loans to ordinary debtors | 177,347 | 240,924 | 228,597 | -63,577 | -51,250 |
| Total loan balance (h) | 198,338 | 262,731 | 250,998 | -64,393 | -52,660 |
| (Ratio to total loan balance (e) / (h)) | (8.3%) | (5.1%) | (5.7%) | (3.2%) | (2.6%) |
| Loans to substandard debtors (f) + (g) | 184 | 155 | 164 | 28 | 19 |

3) Asset classified under the Financial Reconstruction Law as of Sep. 2010 (Non-consolidated)

(Banking a/c)

(Millions of Yen)

| | Balance | | Collateral / Reserves | | Reserve ratio |
|---|----------------------------|----------------|--|----------------------|-------------------------------------|
| | | Coverage ratio | | | |
| Loans in bankrupt/ practically bankrupt (A) | (a) | 100% | Specific allowance for loan losses (b) | 6,481 | 100% |
| | 10,277 (17,519) | (100%) | Guarantee and collateral (c) | 3,796 | (b) / ((a) - (c)) |
| Doubtful loans (B) | (d) | 87% | Uncovered | 6,378 | 82% |
| | 50,541 (47,993) | (83%) | Specific allowance for loan losses (e) | 30,168 | (77%) |
| | | | Guarantee and collateral (f) | 13,995 | (e) / ((d) - (f)) |
| Substandard loans (C) | (g) | 72% | Uncovered | 23,414 | 19% |
| | 84,268 (97,549) | (72%) | General allowance for loan losses (h) | 5,621 | (22%) |
| | | | Guarantee and collateral (i) | 55,233 | (h) / ((g) - (i)) |
| Ordinary assets | 11,883,166 (12,259,528) | | General allowance for loan losses | 45,647 | |
| | | | Allowance for loan losses in specified foreign countries | - | |
| Figures are after partial direct written-off of 28,092 million yen. | | | | | |
| Total loan balance | 12,028,254 (12,422,591) | | Total of (A), (B) and (C) | 145,087 (163,063) | Ratio to total loan balance 1.2% |

(Principal guaranteed trust a/c)

(Millions of Yen)

| | Balance | | Collateral / Reserves | | Reserves for principal |
|--|----------------------|----------------|---------------------------|--------------------|--|
| | | Coverage Ratio | | | |
| Loans in bankrupt/ practically bankrupt (D) | 55 (62) | 100% (100%) | Guarantee and collateral | 55 | Reserves for loan trust 367 |
| Doubtful loans (E) | 16,247 (13,229) | 100% (100%) | Guarantee and collateral | 16,247 | Reserves for JOMT (Jointly-operated money trust) 406 |
| Substandard loans (F) | 149 (119) | 100% (100%) | Guarantee and collateral | 149 | |
| Ordinary assets | 181,885 (249,319) | | | | |
| Total loan balance | 198,338 (262,731) | | Total of (D), (E) and (F) | 16,453 (13,411) | Ratio to total loan balance 8.3% |

(Banking a/c and principal guaranteed trust a/c combined)

| | | | | |
|-------------|----------------------------|---|----------------------|---|
| Grand total | 12,226,592 (12,685,323) | Total of (A), (B), (C), (D), (E) and (F) | 161,540 (176,475) | Ratio to grand total loan balance 1.3% |
|-------------|----------------------------|---|----------------------|---|

Note: Numbers in parenthesis are as of Mar. 2010

4) Assets classified under the Financial Reconstruction Law by industry

(Non-consolidated)

| | Millions of Yen | | | | | | |
|--|-----------------|---------------|---------------------|--------------------------|-------------|---------------|---------------------|
| | Sep. 2010 | | | | Mar. 2010 | | |
| | Banking a/c | Trust a/c (*) | Banking + Trust a/c | | Banking a/c | Trust a/c (*) | Banking + Trust a/c |
| | | | | Change from Mar. 2010 | | | |
| Domestic Branches (excluding offshore) | 141,603 | 16,453 | 158,056 | -13,277 | 157,922 | 13,411 | 171,334 |
| Manufacturing | 7,351 | - | 7,351 | 741 | 6,609 | - | 6,609 |
| Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering | 440 | - | 440 | -50 | 491 | - | 491 |
| Construction | 476 | - | 476 | -6,205 | 6,681 | - | 6,681 |
| Electricity, gas, heat supply and water | - | - | - | - | - | - | - |
| Information and communications | 14,454 | - | 14,454 | -6,007 | 20,462 | - | 20,462 |
| Transport and postal activities | 14,764 | - | 14,764 | -7 | 14,771 | - | 14,771 |
| Wholesale and retail trade | 1,647 | - | 1,647 | -261 | 1,909 | - | 1,909 |
| Finance and insurance | 58,838 | - | 58,838 | - | 58,838 | - | 58,838 |
| Real estate | 28,493 | 15,761 | 44,254 | -2,472 | 33,985 | 12,742 | 46,727 |
| Goods rental and leasing | - | - | - | - | - | - | - |
| Others | 15,137 | 692 | 15,829 | 986 | 14,173 | 669 | 14,842 |
| Overseas branches and offshore | 3,483 | - | 3,483 | -1,656 | 5,140 | - | 5,140 |
| Total | 145,087 | 16,453 | 161,540 | -14,934 | 163,063 | 13,411 | 176,475 |

Note: Above table is made based on the categorization of "Survey on loans by industry" of Bank of Japan.

(*) Trust a/c is principal guaranteed trust a/c

5) Allowance for loan losses

Banking account (Consolidated)

| | Millions of Yen | | | | |
|------------------------------------|-----------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Allowance for loan losses | 115,950 | 125,598 | 176,247 | -9,648 | -60,297 |
| General allowance for loan losses | 62,168 | 70,823 | 70,599 | -8,655 | -8,431 |
| Specific allowance for loan losses | 53,781 | 54,775 | 105,648 | -993 | -51,866 |

Banking account (Non-consolidated)

| | Millions of Yen | | | | |
|------------------------------------|-----------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Allowance for loan losses | 93,861 | 104,843 | 147,408 | -10,982 | -53,546 |
| General allowance for loan losses | 51,731 | 59,128 | 59,891 | -7,396 | -8,159 |
| Specific allowance for loan losses | 42,129 | 45,715 | 87,517 | -3,585 | -45,387 |

Principal guaranteed trust a/c (Non-consolidated)

| | Millions of Yen | | | | |
|--|-----------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Reserves for loan trust | 367 | 604 | 793 | -237 | -425 |
| Reserves for JOMT (Jointly-operated money trust) | 406 | 437 | 545 | -31 | -139 |
| Total | 773 | 1,042 | 1,338 | -269 | -565 |

6) Reserve ratio for loans to special mention/ ordinary debtors (general allowance for loan losses)

Banking account (Non-consolidated)

| | Percentage points | | | | |
|--------------------------------|-------------------|-----------|-----------|-----------------------|-----------------------|
| | Sep. 2010 | Mar. 2010 | Sep. 2009 | Change from Mar. 2010 | Change from Sep. 2009 |
| Special mention | 4.2 | 4.3 | 4.6 | -0.1 | -0.4 |
| Substandard debtors | 6.9 | 7.9 | 11.4 | -1.0 | -4.5 |
| (Against uncovered portion) | (21.4) | (25.6) | (21.5) | (-4.2) | (-0.1) |
| Other than substandard debtors | 3.5 | 3.5 | 4.0 | 0.0 | -0.5 |
| (Against uncovered portion) | (6.4) | (6.8) | (6.3) | (-0.4) | (0.1) |
| Ordinary debtors | 0.2 | 0.2 | 0.2 | 0.0 | 0.0 |

Note: Reserve ratio = general allowance for loan losses / loan amount

(3) Final disposal of non-performing loans

(Banking a/c and principal guaranteed trust a/c combined)

1) Loans outstanding in doubtful or worse categories (Non-consolidated)

Total

| | Billions of Yen | | | | | | | | | |
|--|---------------------|-------------|-------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------------------|
| | Before Sep. 2006 | Mar. 2007 | Sep. 2007 | Mar. 2008 | Sep. 2008 | Mar. 2009 | Sep. 2009 | Mar. 2010 | Sep. 2010 | Change from Mar. 2010 |
| Loans in bankrupt/ practically bankrupt | 140.3 | 6.5 | 5.5 | 6.9 | 19.6 | 28.0 | 26.1 | 17.6 | 10.3 | -7.2 |
| Doubtful loans | 1,009.3 | 58.5 | 59.8 | 27.3 | 28.3 | 73.7 | 242.2 | 61.2 | 66.8 | 5.6 |
| Total | 1,149.7 | 65.0 | 65.3 | 34.1 | 47.9 | 101.7 | 268.3 | 78.8 | 77.1 | -1.7 |
| Loans outstanding in doubtful or worse categories as of Sep. 2006 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | 140.3 | 4.9 | 4.5 | 3.8 | 1.7 | 1.6 | 1.4 | 1.2 | 0.9 | -0.3 |
| Doubtful loans | 1,009.3 | 10.3 | 6.8 | 5.2 | 5.7 | 5.1 | 3.7 | 1.9 | 1.7 | -0.2 |
| Total | 1,149.7 | 15.2 | 11.3 | 8.9 | 7.4 | 6.6 | 5.1 | 3.1 | 2.6 | -0.5 |
| New entry to doubtful or worse categories during 2HFY2006 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | 1.6 | 0.4 | 0.1 | 0.4 | 0.4 | 0.1 | 0.1 | 0.1 | 0.0 |
| Doubtful loans | | 48.2 | 43.6 | 0.8 | 0.5 | 0.4 | 0.6 | 0.5 | 0.4 | -0.1 |
| Total | | 49.8 | 44.0 | 1.0 | 0.8 | 0.7 | 0.6 | 0.6 | 0.6 | -0.0 |
| New entry to doubtful or worse categories during 1HFY2007 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | | 0.6 | 0.4 | 0.5 | 0.1 | 0.1 | 0.1 | 0.1 | -0.0 |
| Doubtful loans | | | 9.4 | 7.6 | 5.1 | 4.8 | 4.5 | 4.4 | 4.3 | -0.1 |
| Total | | | 10.0 | 8.1 | 5.6 | 4.9 | 4.6 | 4.5 | 4.4 | -0.1 |
| New entry to doubtful or worse categories during 2HFY2007 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | | | 2.5 | 0.3 | 0.3 | 0.2 | 0.2 | 0.1 | -0.1 |
| Doubtful loans | | | | 13.6 | 13.0 | 12.6 | 12.4 | 11.6 | 10.9 | -0.7 |
| Total | | | | 16.1 | 13.3 | 12.8 | 12.7 | 11.8 | 11.0 | -0.8 |
| New entry to doubtful or worse categories during 1HFY2008 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | | | | 16.8 | 13.9 | 13.1 | 7.1 | 6.4 | -0.7 |
| Doubtful loans | | | | | 4.0 | 2.4 | 1.6 | 1.1 | 0.6 | -0.5 |
| Total | | | | | 20.8 | 16.2 | 14.7 | 8.2 | 7.0 | -1.2 |
| New entry to doubtful or worse categories during 2HFY2008 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | | | | | 11.8 | 9.0 | 6.9 | 0.9 | -6.1 |
| Doubtful loans | | | | | | 48.6 | 16.5 | 4.5 | 1.4 | -3.1 |
| Total | | | | | | 60.3 | 25.5 | 11.4 | 2.3 | -9.1 |
| New entry to doubtful or worse categories during 1HFY2009 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | | | | | | 2.2 | 1.1 | 0.8 | -0.3 |
| Doubtful loans | | | | | | | 202.9 | 28.5 | 28.3 | -0.2 |
| Total | | | | | | | 205.1 | 29.7 | 29.1 | -0.6 |
| New entry to doubtful or worse categories during 2HFY2009 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | | | | | | | 0.8 | 0.5 | -0.3 |
| Doubtful loans | | | | | | | | 8.7 | 7.3 | -1.4 |
| Total | | | | | | | | 9.5 | 7.8 | -1.8 |
| New entry to doubtful or worse categories during 1HFY2010 and disposal thereafter | | | | | | | | | | |
| Loans in bankrupt/ practically bankrupt | | | | | | | | | 0.6 | 0.6 |
| Doubtful loans | | | | | | | | | 11.9 | 11.9 |
| Total | | | | | | | | | 12.4 | 12.4 |

2) Progress of final disposal

(Non-consolidated)

(Billions of Yen)

| Period | Primary amount | Amount as of Sep.2010 | Quasi final disposal or in the process of final disposal (Less) | Amount of final disposal during 1HFY2010 (Less) | Ratio of final disposal progression (%) | Adjusted ratio of final disposal progression (%) (*) |
|-----------------|-------------------|-----------------------------|--|---|--|--|
| | | | | | | |
| Before 1HFY2006 | 1,149.7 | 2.6 | 0.4 | 0.5 | 99.8 | 99.8 |
| 2HFY2006 | 49.8 | 0.6 | 0.0 | 0.0 | 98.9 | 98.9 |
| 1HFY2007 | 10.0 | 4.4 | 0.0 | 0.1 | 56.0 | 56.0 |
| 2HFY2007 | 16.1 | 11.0 | 0.0 | 0.8 | 31.7 | 32.0 |
| 1HFY2008 | 20.8 | 7.0 | 6.3 | 1.2 | 66.3 | 96.8 |
| 2HFY2008 | 60.3 | 2.3 | 0.8 | 9.1 | 96.2 | 97.6 |
| 1HFY2009 | 205.1 | 29.1 | 15.1 | 0.6 | 85.8 | 93.2 |
| 2HFY2009 | 9.5 | 7.8 | 0.1 | 1.8 | 18.6 | 19.6 |
| 1HFY2010 | 12.4 | 12.4 | 0.0 | - | - | 0.3 |
| Total | ----- | 77.1 | 22.9 | 14.1 | ----- | ----- |

(*) Ratio of final disposal progression considering quasi final disposal

(4) Deferred tax assets

1) Major factors for deferred tax assets and deferred tax liabilities

(Consolidated)

| | Billions of Yen | | |
|--|-----------------|-----------|--------|
| | Sep. 2010 | Mar. 2010 | Change |
| Deferred tax assets (A) | 108.8 | 79.1 | 29.6 |
| Devaluation of securities | 57.6 | 34.5 | 23.1 |
| Allowance for loan losses (including written-off of loans) | 41.3 | 56.7 | -15.4 |
| Provision for retirement benefits | 23.8 | 22.5 | 1.3 |
| Valuation difference on available-for-sale securities | 3.9 | - | 3.9 |
| Loss carry forwards | 1.9 | 10.9 | -8.9 |
| Others | 29.8 | 21.0 | 8.7 |
| Valuation allowance | -12.0 | -23.2 | 11.2 |
| Offset with deferred tax liabilities | -37.7 | -43.4 | 5.7 |
| Deferred tax liabilities (B) | 0.0 | 0.0 | 0.0 |
| Employee retirement benefit trust | 26.1 | 23.9 | 2.1 |
| Deferred hedge gains/ losses | 5.2 | 6.3 | -1.1 |
| Valuation difference on available-for-sale securities | - | 5.8 | -5.8 |
| Others | 6.4 | 7.2 | -0.8 |
| Offset with deferred tax assets | -37.7 | -43.4 | 5.7 |
| Net deferred tax assets (A) - (B) | 108.7 | 79.0 | 29.6 |
| Percentage to Tier I | 8.3% | 6.2% | 2.1% |
| Tier I | 1,307.7 | 1,266.3 | 41.4 |

(Non-consolidated)

| | Billions of Yen | | |
|--|-----------------|-----------|--------|
| | Sep. 2010 | Mar. 2010 | Change |
| Deferred tax assets (A) | 91.9 | 59.5 | 32.4 |
| Devaluation of securities | 61.2 | 38.0 | 23.2 |
| Allowance for loan losses (including written-off of loans) | 35.1 | 38.3 | -3.1 |
| Provision for retirement benefits | 20.3 | 18.7 | 1.5 |
| Valuation difference on available-for-sale securities | 4.0 | - | 4.0 |
| Loss carry forwards | 0.4 | 26.7 | -26.3 |
| Others | 12.6 | 11.5 | 1.1 |
| Valuation allowance | -6.4 | -33.3 | 26.9 |
| Offset with deferred tax liabilities | -35.5 | -40.5 | 5.0 |
| Deferred tax liabilities (B) | - | - | - |
| Employee retirement benefit trust | 26.1 | 23.9 | 2.1 |
| Deferred hedge gains/ losses | 6.0 | 7.0 | -0.9 |
| Valuation difference on available-for-sale securities | - | 5.6 | -5.6 |
| Others | 3.3 | 3.8 | -0.5 |
| Offset with deferred tax assets | -35.5 | -40.5 | 5.0 |
| Net deferred tax assets (A) - (B) | 91.9 | 59.5 | 32.4 |
| Percentage to Tier I | 6.8% | 4.5% | 2.3% |
| Tier I | 1,355.7 | 1,329.8 | 25.9 |

2) Adequacy for calculating and posting net deferred tax assets (Non-consolidated)

STB falls under the company of which performances of past fiscal years are stable. Thus, the item 2 of the practical guideline, "Treatment for audit of recoverability of deferred tax assets" (*) is applicable. And net deferred tax assets are posted based on the tax planning with limits of not more than the total future taxable income.

(*) Classification of companies in the practical guideline, the Japanese Institute of Certified Public Accountants ("JICPA") Industry Auditing Committee Report No. 66 Treatment for audit of recoverability of deferred tax assets (November 9, 2001)

Item 2: Companies which show stable business performance but do not report taxable income enough for covering temporary differences that will result in deductible amounts in the future years.

| | Billions of Yen | | | | |
|--|-----------------|--------|--------|--------|--------|
| | FY2009 | FY2008 | FY2007 | FY2006 | FY2005 |
| Taxable income before deduction of loss carry forwards | -3.0 | 86.8 | 144.6 | 199.2 | 93.6 |
| Net business profit before credit costs | 175.4 | 201.0 | 173.8 | 175.9 | 164.6 |

(5) Retirement benefits
(Consolidated)

| | | Millions of Yen | | |
|-------------------------------------|-------------|-----------------|-----------|--------|
| | | Sep. 2010 | Mar. 2010 | Change |
| Projected benefit obligation | (A) | 230,228 | 234,388 | -4,159 |
| (Discount rate) | | (2.0%) | (2.0%) | (- %) |
| Plan assets | (B) | 269,827 | 264,099 | 5,728 |
| Provision for retirement benefits | (C) | 8,887 | 8,927 | -40 |
| Advanced benefit paid | (D) | 109,771 | 110,635 | -864 |
| Unrecognized net prior service cost | (E) | -3,891 | 670 | -4,561 |
| Unrecognized net actuarial loss | (A-B-C+D-E) | 65,175 | 71,325 | -6,150 |

| | | Millions of Yen | | |
|-----------------------------|--|-----------------|----------|--------|
| | | 1HFY2010 | 1HFY2009 | Change |
| Retirement benefit expenses | | -4,085 | -7,169 | 3,084 |

(Non-consolidated)

| | | Millions of Yen | | |
|-------------------------------------|-------------|-----------------|-----------|--------|
| | | Sep. 2010 | Mar. 2010 | Change |
| Projected benefit obligation | (A) | 212,701 | 216,958 | -4,256 |
| (Discount rate) | | (2.0%) | (2.0%) | (- %) |
| Plan assets | (B) | 262,055 | 256,382 | 5,673 |
| Provision for retirement benefits | (C) | 208 | 223 | -15 |
| Advanced benefit paid | (D) | 109,660 | 110,530 | -869 |
| Unrecognized net prior service cost | (E) | -3,790 | 808 | -4,598 |
| Unrecognized net actuarial loss | (A-B-C+D-E) | 63,888 | 70,074 | -6,185 |

| | | Millions of Yen | | |
|--|--|-----------------|----------|--------|
| | | 1HFY2010 | 1HFY2009 | Change |
| Retirement benefit expenses | | -3,210 | -6,591 | 3,380 |
| Service cost-benefits earned | | -2,132 | -2,626 | 494 |
| Interest cost on projected benefit obligation | | -2,139 | -2,200 | 61 |
| Expected return on plan assets | | 7,574 | 6,589 | 984 |
| Amortization of prior service cost | | -45 | -196 | 151 |
| Amortization of net actuarial losses | | -6,185 | -7,926 | 1,740 |
| Others (additional benefit at retirement, etc) | | -282 | -230 | -51 |

(6) Statements of trust account
(Non-consolidated)

| | Millions of Yen | | |
|--|-------------------|-------------------|------------------|
| | Sep. 2010 | Mar. 2010 | Change |
| Loans and bills discounted | 340,101 | 398,476 | -58,375 |
| Securities | 433,810 | 554,630 | -120,820 |
| Money held in trust | 64,756,947 | 61,043,709 | 3,713,237 |
| Securities held in custody accounts | 346,238 | 372,763 | -26,524 |
| Money claims | 9,449,021 | 10,226,782 | -777,761 |
| Tangible fixed assets | 4,368,325 | 4,418,089 | -49,763 |
| Intangible fixed assets | 37,721 | 37,721 | - |
| Other claims | 1,555,146 | 1,598,623 | -43,477 |
| Call loans | 5,800 | 30,900 | -25,100 |
| Loans to banking account | 464,563 | 430,969 | 33,594 |
| Cash and due from banks | 190,507 | 195,020 | -4,512 |
| Total assets | 81,948,184 | 79,307,687 | 2,640,496 |
| Money trusts | 13,185,214 | 12,284,982 | 900,232 |
| Pension trusts | 5,952,037 | 5,435,133 | 516,904 |
| Property formation benefit trusts | 8,603 | 8,521 | 81 |
| Loan trusts | 43,136 | 74,774 | -31,638 |
| Securities investment trusts | 25,133,439 | 23,576,929 | 1,556,509 |
| Money entrusted, other than money trusts | 1,919,210 | 2,406,475 | -487,265 |
| Securities trusts | 17,133,025 | 16,414,987 | 718,038 |
| Money claim trusts | 9,389,060 | 10,116,344 | -727,283 |
| Land and fixtures trusts | 42,318 | 43,940 | -1,622 |
| Composite trusts | 9,142,137 | 8,945,597 | 196,539 |
| Other trusts | 0 | 0 | - |
| Total liabilities | 81,948,184 | 79,307,687 | 2,640,496 |

Note: The amount of retrusted assets to Japan Trustee Services Bank, Ltd. as a securities processing is included in Money held in trust:
Sep. 2010: 64,719,989 million yen, Mar. 2010: 61,007,191 million yen

(7) Breakdown of principal guaranteed trust a/c
(Non-consolidated)

| | Millions of Yen | | | |
|--------------|--|----------------|----------------|----------------|
| | Sep. 2010 | Mar. 2010 | Change | |
| Money trusts | Loans and bills discounted | 198,338 | 262,731 | -64,393 |
| | Securities | 48 | 48 | - |
| | Others | 359,277 | 322,386 | 36,890 |
| | Total assets | 557,664 | 585,166 | -27,502 |
| | Principal | 556,579 | 584,105 | -27,525 |
| | Reserves for JOMT (Jointly-operated money trust) | 406 | 437 | -31 |
| | Others | 678 | 623 | 54 |
| | Total liabilities | 557,664 | 585,166 | -27,502 |
| Loan trusts | Loans and bills discounted | - | - | - |
| | Securities | - | - | - |
| | Others | 43,136 | 74,780 | -31,644 |
| | Total assets | 43,136 | 74,780 | -31,644 |
| | Principal | 42,392 | 73,486 | -31,093 |
| | Reserves for loan trust | 367 | 604 | -237 |
| | Others | 376 | 689 | -312 |
| | Total liabilities | 43,136 | 74,780 | -31,644 |