

The Mitsui Trust and Banking Company, Limited

1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo 103, Japan

Business Results for Fiscal Year '98

Listed Stock Exchanges Tokyo, Osaka, London

Date of Board of Directors' Meeting

for the Business Closing May 24, '99

Date of Shareholder's Meeting June 29, '99

for further information

General Planning Division

Deputy General Manager

Mitsuhiko Onoguchi

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1. Business Results for Fiscal Year '98 (from April 1, '98 to March 31, '99)

(1) Business Results

Fiscal Year	Ordinary Income	(year on year change)	Ordinary Profits	(year on year change)	Net Income	(year on year change)
	yen in millions	%	yen in millions	%	yen in millions	%
FY '98	741,392	(-14.4)	-196,634	(-)	-144,021	(-)
FY '97	865,645	(-17.6)	4,403	(-11.0)	7,506	(-32.7)

Fiscal Year	Net Income per Share	(after potential dilution)	Net Income on Equity	Ordinary Expenses /Income Ratio*	Total Funds Available
	yen	yen	%	%	yen in millions
FY '98	-110.14	-	-32.2	126.5	29,644,025
FY '97	6.26	5.95	1.9	99.5	29,609,836

Note Average of shares outstanding

* Ratio of Ordinary Expenses to Ordinary Income

Ordinary Shares

FY '98 1,307,745,344 shares

FY '97 1,198,296,674 shares

Preferred Shares

FY '98 1,958,904 shares

FY '97 - shares

(2) Dividend Payment

Fiscal Year	Annual Dividend per Share			Annual Dividend	Dividend Payout Ratio	Dividend on Equity
	yen	Interim	Year-end	yen in millions	%	%
FY '98	5.00	2.50	2.50	7,214	-	1.4
FY '97	5.00	2.50	2.50	5,991	79.8	1.5

(3) Assets and Capital

Fiscal Year End	Total Assets	Net Capital	Net Capital Ratio	Net Capital per Share	BIS Capital Adequacy Ratio
	yen in millions	yen in millions	%	yen	%
FY '98	9,438,166	749,567	7.9	295.90	estimated 15.40
FY '97	12,056,927	394,840	3.3	329.50	10.40

Note 1. Shares outstanding at Fiscal Year End

Ordinary Shares

FY '98 1,687,435,407 shares

FY '97 1,198,296,674 shares

Preferred Shares

FY '98 715,000,000 shares

FY '97 - shares

2. Unrealized Gain/Loss -108,455 million Yen on Securities -7,110 million Yen on Derivative Transactions

3. BIS Capital Adequacy Ratio(Non-consolidated) estimated 15.64 %

2. Projection for Fiscal Year '99 (from April 1, '99 to March 31, '00)

Fiscal Year	Ordinary Income	Ordinary Profits	Net Income	Dividend Payment per Share		
	yen in millions	yen in millions	yen in millions	Interim	Year-end	Annual
1st Half	300,000	30,000	20,000	yen	yen	yen
Annual	600,000	80,000	50,000	2.00	2.00	4.00

Estimate of Net Income per Share 27.77yen

Projection for Fiscal Year '99

Dividend Payment per Share

		Dividend Payment per Share		
		Interim	Year-end	
		Yen	Yen	Yen
1st Half	Ordinary Share	2.00	—	—
	Preferred Share	2.19	—	—
Annual	Ordinary Share	—	2.00	4.00
	Preferred Share	—	2.19	4.38

The Mitsui Trust and Banking Company, Limited

Non-Consolidated Balance Sheet

(as of March 31, '99)

(Banking Account)

(yen in millions)

Assets		Liabilities	
Cash and Due from Banks	543,404	Deposits	3,476,291
Cash	54,792	Current Deposits	105,005
Due from Banks	488,612	Ordinary Deposits	340,902
Call Loans	30,000	Saving Deposits	277
Bills Bought	100,500	Deposits at Notice	94,725
Trading Assets	23,909	Time Deposits	2,660,230
Trading securities	1,537	Other Deposits	275,150
Derivatives of trading securities	138	Negotiable Certificates of Deposit	303,457
Derivatives of securities related to trading transactions	3	Call Money	53,512
Trading-related financial derivatives	22,230	Trading Liabilities	20,695
Money Held in Trust	103,518	Derivatives of trading securities	93
Securities	3,240,464	Derivatives of securities related to trading transactions	0
Government Bonds	474,160	Trading-related financial derivatives	20,601
Municipal Bonds	161,611	Borrowed Money	355,253
Corporate Bonds	387,148	Borrowed Money	355,253
Stocks	1,597,514	Foreign Exchange	5,847
Other Securities	619,795	Due to Foreign Banks	5,839
Securities Lent	234	Foreign Exchange Bills Sold	3
Loans and Bills Discounted	4,668,738	Foreign Exchange Bills Payable	4
Bills Discounted	25,730	Bonds and Notes	100,000
Loans on Notes	1,554,005	Convertible Bonds and Notes	17,435
Loans on Deeds	2,802,589	Due to Trust Account	3,736,852
Overdrafts	286,412	Other Liabilities	237,401
Foreign Exchange	2,544	Accrued Income Taxes	78
Due from Foreign Banks	1,028	Accrued Enterprise Tax	172
Advances to Foreign Banks	69	Accrued Expenses	100,531
Foreign Exchange Bills Purchased	1,446	Unearned Income	4,488
Other Assets	215,891	Employee's Deposits	4,128
Prepaid Expenses	261	Cash Collateral in Exchange for JGB Lent	113,887
Accrued Income	122,025	Other	14,113
Futures Margin Paid	89	Reserve for Possible Loan Losses	208,150
Futures Balance Account	453	Reserve for Retirement Allowances	14,801
Other	93,061	Reserve for Losses on the Sales of Claims	8,540
Premises and Equipment	123,021	Reserve for Losses on the Securities	1,382
Land, Building and Equipment	104,101	Deferred Tax Liabilities for Revaluation	6,364
Construction in Progress	2,225	Acceptances and Guarantees	142,612
Other	16,694	Total Liabilities	8,688,599
Deferred Tax Assets	243,561	Stockholders' Equity	
Customers' Liabilities for Acceptances and Guarantees	142,612	Capital Stock	383,430
		Legal Reserves	305,807
		Capital Surplus	272,494
		Legal Earned Surplus	33,313
		Difference of Revaluation	8,770
		Earned Surplus	51,558
		General Reserve	61,676
		Reserve for Overseas Investment	1
		Reserve for Retirement Allowances	629
		Voluntary Reserve	61,046
		Unappropriated Losses	10,118
		Net Losses	144,021
		Total Stockholders' Equity	749,567
Total Assets	9,438,166	Total Liabilities and Stockholders' Equity	9,438,166

The Mitsui Trust and Banking Company, Limited
Non-Consolidated Statement of Income
(from April 1, '98 to March 31, '99)

(yen in millions)

Ordinary Income		741,392
Trust Fees	90,966	
Interest Income	412,308	
Interest on Loans and Bills Discounted	132,883	
Interest and Dividends on Investment Securities	112,541	
Interest on Call Loans	546	
Interest on Bills Bought	139	
Interest on Deposits with Banks	19,682	
Interest on Interest Swaps	135,424	
Other	11,090	
Fees and Commissions Received	22,817	
Domestic and Foreign Exchange	1,268	
Other	21,548	
Trading Revenue	95	
Revenue from Securities and Derivatives Related to Trading Transactions	95	
Other Trading Revenue	0	
Other Operating Income	41,301	
Profit on foreign Exchange	3,268	
Profit on Sales of Securities	33,187	
Profit on Redemption of Securities	4,000	
Other	845	
Other Income	173,903	
Profit on Sales of Equities	161,592	
Profit on Money Held in Trust	6,149	
Other	6,161	
Ordinary Expenses		938,026
Interest Expenses	351,719	
Interest on Deposits	60,126	
Interest on Negotiable Certificates of Deposit	1,942	
Interest on Call Money	1,986	
Interest on Bills Sold	548	
Interest on Borrowed Money	8,296	
Interest on Bonds and Notes	2,080	
Interest on Convertible Bonds and Notes	628	
Interest on Interest Swaps	172,047	
Other	104,062	
Fees and Commissions Paid	4,612	
Domestic and Foreign Exchange	645	
Other	3,967	
Trading Expenses	1,014	
Expenses on Trading Securities and Derivatives	201	
Expenses on Trading-related financial Derivatives transactions	812	
Other Operating Expenses	29,990	
Losses on Sales of Investment Securities	12,467	
Losses on Redemption of Securities	16,577	
Losses on Evaluation of Securities	944	
General and Administrative Expenses	127,023	
Other Expenses	423,666	
Transfer to Reserve for Possible Loan Losses	299,531	
Claims Written-off	1,853	
Losses on Sales of Equities	20,249	
Losses on Evaluation of Equities	17,137	
Losses on Money Held in Trust	234	
Other	84,660	
Ordinary Losses		196,634
Extraordinary Profits		255
Profits on Disposal of Premises and Equipment	252	
Profits on Written-off Claims	2	
Transfer from Liability Reserve for Securities Trading	0	
Extraordinary Losses		57,650
Losses on Disposal of Premises and Equipment	1,345	
Losses on Evaluation of Investment Trusts	56,305	
Net Loss before Income Taxes		254,029
Provision for Income Taxes		1,128
Income Taxes-Deferred		-111,135
Net Loss		144,021
Profit Brought Forward from Previous Year		5,071
Prior Year's Adjustment for Deferred Tax		132,426
Transfer from Reserve for Overseas Investment in Conduction with adapting Accounting for Deferred Tax		1
Interim Dividends		2,995
Transfer to Legal Reserve		599
Unappropriated Loss at the end of the Term		10,118

The Mitsui Trust and Banking Company, Limited

Proposal for Appropriation of Profits for Fiscal Year '98

(yen)

Undivided Loss at the End of the Term	10,118,248,753
Transfer from General Reserve	20,300,000,000
Voluntary Reserve	20,300,000,000
Total Undivided Profit	10,181,751,247
Profits Appropriation Total	5,082,855,827
Legal Earned Surplus	850,000,000
Dividends on Preferred Share	14,300,000
Dividends on Ordinary Share	4,218,555,827
Profits carried forward to the Next Term	5,098,895,420

(Valuation Gains on Trading Account

— yen)

Dividend Payment per Share

	FY '98			FY '97		
	Annual	Interim	Year-end	Annual	Interim	Year-end
	yen	yen	yen	yen	yen	yen
Ordinary Shares	5.00	2.50	2.50	5.00	2.50	2.50
Preferred Shares	0.02	—	0.02	—	—	—

The Mitsui Trust and Banking Company, Limited
Components of Ordinary Profits

(yen in billions)

Items	Fiscal Year '98	Fiscal Year '97	Increase / Decrease	Year on Year Change (%)
1. Gross Operating Profits	180.1	183.9	-3.7	-2.0
Trust Fees	90.9	130.6	-39.6	-30.3
Net Interest Income	60.5	46.6	13.9	29.9
Net Fees and Commissions	18.2	19.1	-0.9	-4.9
Net Trading Revenue	-0.9	-0.0	-0.8	-1,371.8
Net Other Operating Profits	11.3	-12.3	23.6	191.4
[Net Gains on Foreign Exchange]	[3.2]	[9.0]	[-5.7]	[-63.9]
[Net Capital Gains on Investment Bonds]	[7.1]	[-23.0]	[30.2]	[131.2]
2. General and Administrative Expenses	127.0	124.1	2.8	2.2
3. Net Other Ordinary Profits	-249.7	-55.3	-194.4	-351.3
[Loan Losses in Banking Accounts]	[373.0]	[298.3]	[74.6]	[25.0]
[Transfer to General Reserve on Possible Loan Losses]	[0.4]	[-59.1]	[59.6]	[100.7]
[Net Capital Gains on Investment Equities]	[124.2]	[182.9]	[-58.7]	[-32.1]
4. Ordinary Profits	-196.6	4.4	-201.0	-4,565.0

Core Business Profits ("Gyomu Jun-Eki")

(yen in billions)

Items	Fiscal Year '98	Fiscal Year '97	Increase / Decrease	Year on Year Change (%)
Core Business Profits	56.2	121.1	-64.9	-53.6
[Loan Losses in Trust Accounts]	[49.0]	[35.2]	[13.7]	[39.0]
[Transfer to General Reserve on Possible Loan Losses]	[0.4]	[-59.1]	[59.6]	[100.7]

The Mitsui Trust Banking and Company, Limited

Securities

(yen in billions)

Fiscal Year	Fiscal Year '98	Fiscal Year '97	Increase/Decrease
1 Bond related Profit and Loss			
(a) Gains on Sales	33.1	7.6	25.5
(b) Gains on Redemption	4.0	3.9	0.0
(c) Losses on Sales	12.4	8.7	3.6
(d) Losses on Redemption	16.5	25.3	-8.7
(e) Losses on Evaluation	0.9	0.4	0.4
(f) Net Capital Gains	7.1	-23.0	30.2
2 Stock related Profit and Loss			
(a) Gains on Sales	161.5	193.4	-31.8
(b) Losses on Sales	20.2	6.9	13.2
(c) Losses on Evaluation	17.1	3.5	13.6
(d) Net Capital Gains	124.2	182.9	-58.7
Fiscal Year End	Fiscal Year '98	Fiscal Year '97	Increase/Decrease
3 Unrealized Gain			
(a) Listed Securities	-108.4	101.8	-210.3
[Listed Stocks]	[-109.9]	[69.3]	[-179.2]
(b) Derivative Transactions	-7.1	-21.1	14.0

BIS Capital Adequacy Ratio

(yen in billions)

Fiscal Year End	Fiscal Year '98 [estimated]	Fiscal Year '97	Increase/Decrease
1 Capital Adequacy Ratio	15.40%	10.40%	5.00%
2 Tier I Capital	728.4	562.3	166.0
3 Tier II Capital	474.2	410.0	64.2
45% of Unrealized Gains on Securities	-	-	-
45% of Difference of Revaluation	6.8	6.8	-0.0
Subordinated Loans and Notes	415.9	352.0	63.8
4 Deductions from Capital	0.9	-	0.9
5 Risk-adjusted Assets	7,801.4	9,342.1	-1,540.6

The Mitsui Trust Banking and Company, Limited

Reserve on Possible Loan Losses

(yen in billions)

Fiscal Year End	Fiscal Year '98	Fiscal Year '97	Increase/Decrease
1 Components of Reserve Balance			
(a) General Reserve for possible loan losses	50.8	50.4	0.4
(b) Specific Reserve for possible loan losses	149.5	546.7	-397.1
(c) Reserve on LDC Loans	7.6	0.4	7.2
Fiscal Year	Fiscal Year '98	Fiscal Year '97	Increase/Decrease
2 Specific Reserve for possible loan losses			
(a) Transfer to the Reserve	294.7	325.8	-31.0
(b) Transfer from the Reserve excludes write-offs charging the reserve	3.4	63.9	-60.5
(c) Net Transfer to the Reserve	291.3	261.8	29.4
3 Reserve on LDC Loans			
(a) Number of Applied Countries	14	4	10
(b) Applied Loan Balance	78.2	1.2	76.9
(c) Transfer to the Reserve	7.2	-	7.2
(d) Transfer from the Reserve	-	0.4	-0.4
4 Claims Written-off	1.8	1.0	0.7

Loans and Bills Discounted

(yen in billions)

Fiscal Year End	Fiscal Year '98	Fiscal Year '97	Increase/Decrease
1 Loans Outstanding to Real Estate Industry	1,126.2	1,586.5	-460.3
2 Non-performing Loans			
(a) Banking Account			
Loans to Bankrupt Parties	39.8	93.1	-53.2
[% of Total Loan Balance]	[0.85%]	[1.53%]	[-0.68%]
Loans in arrears of more than six months	452.3	404.1	48.1
[% of Total Loan Balance]	[9.69%]	[6.62%]	[3.07%]
Loans in arrears of more than three months	5.2	10.3	-5.1
[% of Total Loan Balance]	[0.11%]	[0.17%]	[-0.06%]
Loans with alleviated lending conditions	153.2	249.3	-96.0
[% of Total Loan Balance]	[3.28%]	[4.08%]	[-0.80%]
Total Loan Balance	4,668.7	6,105.0	-1,436.2
(b) Trust Account			
Loans to Bankrupt Parties	7.3	8.4	-1.0
[% of Total Loan Balance]	[0.25%]	[0.25%]	[0.00%]
Loans in arrears of more than six months	75.9	35.5	40.4
[% of Total Loan Balance]	[2.53%]	[1.05%]	[1.48%]
Loans in arrears of more than three months	2.5	6.8	-4.3
[% of Total Loan Balance]	[0.08%]	[0.20%]	[-0.12%]
Loans with alleviated lending conditions	25.5	49.3	-23.7
[% of Total Loan Balance]	[0.85%]	[1.46%]	[-0.61%]
Total Loan Balance	2,999.0	3,379.7	-380.7

The Mitsui Trust and Banking Company, Limited

Summary of Consolidated Financial Statements

(Fiscal Year Ended March 31 '99)

1. Business Results for Fiscal Year '98 (from April 1, '98 to March 31, '99)

(1) Business Results

Fiscal Year	Ordinary Income	(year on year change)	Ordinary Profits	(year on year change)	Net Income	(year on year change)
	yen in millions	%	yen in millions	%	yen in millions	%
FY' 98	789,189	(-10.1)	-194,870	(-)	-176,319	(-)
FY' 97	878,290	(-17.5)	6,564	(25.3)	4,100	(-27.9)

Fiscal Year	Net Income per Share	(after potential dilution)	Net Income on Equity	Ordinary Profits / Total Stockholders' Equity	Ordinary Profits / Ordinary Income
	yen	yen	%	%	%
FY' 98	-135.89	-	-33.5	-2.0	-24.7
FY' 97	3.42	3.3	0.7	0.1	0.7

(2) Assets and Capital

Fiscal Year End	Total Assets	Net Capital	Net Capital Ratio	Net Capital per Share
	yen in millions	yen in millions	%	yen
FY' 98	9,521,113	736,752	7.7	292.83
FY' 97	12,282,832	565,395	4.6	471.83

2. Projection for Fiscal Year '99 (from April 1, '99 to March 31, '00)

Fiscal Year	Ordinary Income	Ordinary Profits	Net income
	yen in millions	yen in millions	yen in millions
FY' 99	640,000	80,000	50,000

The Mitsui Trust and Banking Company, Limited
Consolidated Balance Sheet
(As of March 31, '99)

(Banking Account)

(yen in millions)

Assets		Liabilities	
Cash and Due from Banks	554, 879	Deposits	3, 474, 345
Call Loans and Bills Bought	130, 610	Negotiable Certificates of Deposit	303, 457
Trading Assets	23, 909	Call Money and Bills Sold	53, 512
Money Held in Trust	103, 518	Trading Liabilities	20, 695
Securities	3, 237, 044	Borrowed Money	425, 032
Loans and Bills Discounted	4, 624, 819	Foreign Exchange	6, 336
Foreign Exchange	2, 478	Bonds and Notes	124, 586
Other Assets	259, 574	Convertible Bonds and Notes	17, 435
Premises and Equipment	221, 906	Due to Trust Account	3, 736, 852
Deferred Tax Assets	244, 866	Other Liabilities	267, 762
Customers' Liabilities for		Reserve for Possible Loan Losses	200, 882
Acceptances and Guarantees	117, 505	Reserve for Retirement Allowances	15, 002
		Reserve for Losses on the Sales of Claims	8, 540
		Reserve for Losses on the Securities	1, 382
		Deferred Tax Liabilities for Revaluation	6, 364
		Acceptances and Guarantees	117, 505
		Total Liabilities	8, 779, 693
		Minority Interest in Consolidated Subsidiaries	
		Minority Interest in Consolidated Subsidiaries	4, 667
		Stockholders' Equity	
		Capital Stock	383, 430
		Capital Surplus	272, 494
		Difference of Revaluation	8, 770
		Earned Surplus	75, 271
			739, 966
		Treasury Stock	1
		Stock of Parent Company Owned by Subsidiaries	3, 212
		Total Stockholders' Equity	736, 752
Total Assets	9, 521, 113	Total Liabilities, Minority Interest in Consolidated Subsidiaries and Stockholders' Equity	9, 521, 113

The Mitsui Trust and Banking Company, Limited

Consolidated Statement of Income

(from April 1, '98 to March 31, '99)

(yen in millions)

Ordinary Income		789, 189
Trust Fees	91, 159	
Interest Income	410, 784	
Interest on Loans and Bills Discounted	134, 189	
Interest and Dividends on Securities	109, 642	
Interest on Call Loans and Bills Bought	687	
Interest on Deposits with Banks	20, 290	
Other	145, 975	
Fees and Commissions Received	28, 201	
Trading Revenue	463	
Other Operating Income	41, 392	
Other Income	217, 187	
Ordinary Expenses		984, 060
Interest Expenses	355, 185	
Interest on Deposits	60, 291	
Interest on Negotiable Certificates of Deposits	1, 942	
Interest on Call Money and Bills Sold	2, 535	
Interest on Borrowed Money	10, 856	
Interest on Bonds and Notes	2, 745	
Interest on Convertible Bonds and Notes	753	
Other	276, 061	
Fees and Commissions Paid	4, 542	
Trading Expenses	1, 014	
Other Operating Expenses	30, 169	
General and Administrative Expenses	135, 173	
Other Expenses	457, 975	
Transfer to Reserve for Possible Loan Losses	297, 072	
Other	160, 902	
Ordinary Losses		194, 870
Extraordinary Profits		259
Profits on Disposal of Premises and Equipment	252	
Profits on Written-off Claims	6	
Transfer from Liability Reserve for Securities Trading	0	
Extraordinary Losses		57, 952
Losses on Disposal of Premises and Equipment	1, 646	
Other Extraordinary Losses	56, 305	
Net Loss before Income Taxes		252, 564
Provision for Income Taxes		2, 331
Income Taxes - Deferred		-78, 414
Minority Interest in Net Income		161
Net Loss		176, 319

The Mitsui Trust and Banking Company, Limited

Consolidated Statement of Earned Surplus

(from April 1, '98 to March 31, '99)

(yen in millions)

Balance at Beginning of Year	273,016
Earned Surplus	240,901
Legal Reserve	32,114
Additions	782
Increase of Earned Surplus Due to the Change of Scope of Companies	
Accounted for Using the Equity Method	63
Prior Year's Adjustment for Deferred Tax	718
Deductions	22,207
Decrease of Earned Surplus Due to Companies Ceasing to be a Consolidated	
Subsidiary	5,263
Decrease of Earned Surplus Due to the Change of Scope of Consolidated	
Subsidiaries	10,966
Cash Dividends	5,976
Net Loss	176,319
Balance at End of Year	75,271