

Explanatory Material

*Fiscal Year 2004
ended on Mar.31, 2005*

The Sumitomo Trust and Banking Co., Ltd.

Table of Contents

I. Outlook of the financial results for the fiscal year 2004		
1. Summary of the financial results for the fiscal year 2004	-----	1
2. Unrealized gains/losses on investment securities	-----	3
3. BIS capital ratio	-----	4
4. Adequacy for calculating and posting net deferred tax assets	-----	5
5. Cross shareholdings	-----	6
6. Assets classified under the Financial reconstruction law	-----	7
7. Forecast for full FY2005	-----	10
8. Midterm financial target and business strategy	-----	11
II. Supplementary Information I		
1. Total risk adjusted assets, capital, and deferred tax assets	-----	12
2. Net business profit	-----	12
3. Non-performing loans	-----	12
4. Cross shareholdings	-----	14
5. Loans	-----	14
III. Supplementary Information II		
1. Return on equity	-----	15
2. Spread	-----	15
3. Breakdown of gains/losses on securities	-----	16
4. Unrealized gains/losses on financial derivatives	-----	17
5. General & administrative expenses	-----	18
6. Number of directors and employees	-----	18
7. Number of branches and subsidiaries	-----	18
8. Employee retirement benefits	-----	19
9. Risk managed loans	-----	20
10. Final disposal of non-performing loans	-----	22
11. Loans by industry	-----	28
12. Overseas loan exposures by borrowers' location	-----	29
13. Reserves for possible loan losses	-----	29
14. Balance of major accounts (Banking a/c)	-----	29
15. Balance of major accounts (Principal guaranteed trust a/c)	-----	30
16. Loans and consumer loans to small and mid-sized corporations	-----	30
17. Consumer loans	-----	30

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 & Banking Co., Ltd. (referred to hereinafter as "Sumitomo Trust") hereby cautions against sole reliance on such forward-looking statements in making investment decisions.

I. Outlook of the financial results for the fiscal year 2004

1. Summary of the financial results for the fiscal year 2004

(Consolidated)

		Millions of Yen		
		FY2004	FY2003	Change
Gross profits	1	287,820	279,911	7,909
Net trust fees	2	71,316	76,401	-5,084
Principal guaranteed trust a/c credit costs	3	6,103	4,678	1,424
Net interest income	4	149,013	119,709	29,303
Net fees and commissions	5	67,469	52,827	14,642
Net gains on trading	6	4,166	3,760	406
Others	7	-4,146	27,212	-31,358
General & administrative expenses	8	138,239	132,716	5,522
Net transfer to general reserves	9	-	-	-
Banking a/c credit costs	10	11,675	19,256	-7,580
Net losses on direct write-offs	11	9,682	16,840	-7,158
Net transfer to specific loan losses reserves	12	-	-	-
Net transfer to reserves for loans to borrowers in specific foreign countries	13	-	-	-
Losses on sales of loans	14	1,993	2,415	-422
Net gains on stocks	15	13,965	25,723	-11,757
Net income from affiliates by equity method	16	1,505	99	1,405
Others	17	-19,214	-18,070	-1,144
Net operating income	18	134,161	135,690	-1,529
Extraordinary income	19	23,693	2,965	20,728
Losses on impairment of fixed assets	20	106	-	106
Reversal of reserves	21	17,849	1,157	16,692
Income from change of shares related to subsidiaries	22	5,617	-	5,617
Net income before income taxes	23	157,854	138,656	19,198
Income taxes	24	1,981	1,201	779
Deferred income taxes	25	56,216	54,025	2,190
Minority interest	26	2,791	3,798	-1,007
Net income	27	96,865	79,629	17,236
Total credit costs (3 + 9 +10 - 21)	28	-70	22,777	-22,848
Net business profit before credit costs	29	161,143	153,619	7,524

<Number of subsidiaries/affiliates>

	Mar. 2005	Mar. 2004	Change
Consolidated subsidiaries	19	18	1
Affiliates (subject to the equity method)	9	5	4

(Non-consolidated)

		Millions of Yen			% change
		FY2004	FY2003	Change	
Gross profits	1	256,473	252,327	4,146	1.6
excluding Net gains on bonds (1-8-17)	2	246,705	224,296	22,409	10.0
Net trust fees	3	71,316	76,401	-5,084	-6.7
Principal guaranteed trust a/c credit costs	4	6,103	4,678	1,424	30.4
Net losses on direct write-offs	5	5,662	4,720	942	20.0
Losses on sales of loans	6	440	-41	482	1,166.4
Trust fees from principal guaranteed trust a/c	7	28,216	33,742	-5,525	-16.4
Net capital gains on sale of securities	8	-	-472	472	100.0
Other trust fees	9	49,203	47,338	1,865	3.9
Net interest income	10	146,935	117,448	29,486	25.1
Domestic	11	107,731	91,369	16,362	17.9
International	12	39,203	26,078	13,124	50.3
Net fees and commissions	13	38,169	27,531	10,637	38.6
Domestic	14	38,732	29,700	9,032	30.4
Net gains on trading	15	4,166	3,760	406	10.8
Others	16	-4,113	27,186	-31,300	-115.1
Net capital gains on bonds	17	9,768	28,503	-18,735	-65.7
Net gains on financial derivatives	18	-17,480	-5,044	-12,435	-246.5
General and administrative expenses	19	114,347	111,974	2,372	2.1
Personnel expenses	20	44,909	46,410	-1,501	-3.2
Non-personnel expenses excluding taxes	21	62,755	60,740	2,015	3.3
Taxes other than income taxes	22	6,682	4,823	1,858	38.5
Net business profit before credit costs (1+4-19)	23	148,229	145,031	3,197	2.2
excluding Net capital gains on bonds (23-8-17)	24	138,461	117,000	21,461	18.3
Net transfer to general reserves	25	-	-	-	-
Net business profit	26	142,126	140,352	1,773	1.3
Net non-recurring profit	27	-21,538	-18,241	-3,297	-18.1
Net gains on stocks	28	13,622	25,640	-12,017	-46.9
Gains on sale of stocks	29	18,642	41,281	-22,638	-54.8
Losses on sale of stocks	30	765	12,624	-11,859	-93.9
Losses on devaluation of stocks	31	4,254	3,016	1,238	41.0
Banking a/c net credit costs	32	11,540	19,141	-7,601	-39.7
Net losses on direct write-offs	33	9,583	16,725	-7,142	-42.7
Net transfer to specific loan loss reserves	34	-	-	-	-
Net transfer to reserves for loans to borrowers in specific foreign countries	35	-	-	-	-
Losses on sales of loans	36	1,956	2,415	-458	-19.0
Others	37	-23,620	-24,740	1,119	4.5
Net transfer to reserve for losses on investment securities	38	14,930	4,774	10,156	212.8
Amortization of net actuarial losses/prior service cost	39	5,137	8,417	-3,279	-39.0
Net operating income	40	120,587	122,110	-1,523	-1.2
Extraordinary income	41	19,413	3,887	15,525	399.3
Net gains on disposal of fixed assets	42	-1,024	-1,292	268	20.7
Losses on impairment of fixed assets	43	106	-	106	-
Reversal of reserves	44	19,117	1,986	17,131	862.4
Amortized cost of net transition obligation for employee retirement benefit	45	3,659	3,659	-	-
Net gains on collection from write-offs	46	5,086	1,568	3,518	224.4
Net income before income taxes	47	140,000	125,998	14,001	11.1
Income taxes	48	85	104	-19	-18.3
Deferred income taxes	49	55,214	51,965	3,248	6.3
Net income	50	84,700	73,928	10,771	14.6
Total credit costs (4 + 25 + 32 - 44)	51	-1,474	21,833	-23,307	-106.8
Dividend per common stock (Yen, percentage points)		12.00	6.00	6.00	100.0

2. Unrealized gains/losses on investment securities

(1) Banking a/c

(Consolidated)

	Millions of Yen						Change of net
	Mar. 2005			Mar. 2004			
	Net	Unrealized gains	Unrealized losses	Net	Unrealized gains	Unrealized losses	
Held-to-maturity debt securities	4,697	4,702	5	369	377	7	4,327
Available-for-sale securities	192,855	221,419	28,563	160,067	192,248	32,181	32,788
Total	197,552	226,122	28,569	160,437	192,625	32,188	37,115
Japanese stocks	193,135	206,286	13,150	159,077	175,285	16,208	34,058
Japanese bonds	7,869	8,218	349	-8,915	1,294	10,209	16,784
Foreign securities and others (*1)	-3,452	11,616	15,069	10,274	16,045	5,770	-13,727
(Net unrealized gains on available-for-sale securities, net of tax)	116,628	-----	-----	95,941	-----	-----	20,687

(*1) Most part of securities categorized in "Foreign securities and others" are US Treasuries and German Bunds. The figures in the tables are translated in Japanese Yen.

Although the value is shown in Japanese Yen, those bonds are funded by repo transactions. Thus there is no foreign exchange rate risk.

Net unrealized gain on " Investment in affiliates " : Mar. 2005: 11,373 million yen, Mar. 2004: 12,613 million yen

(Non-consolidated)

	Millions of Yen						Change of net
	Mar. 2005			Mar. 2004			
	Net	Unrealized gains	Unrealized losses	Net	Unrealized gains	Unrealized losses	
Held-to-maturity debt securities	4,545	4,549	4	-	-	-	4,545
Investment in affiliates	1,440	1,440	-	1,625	1,625	-	-184
Available-for-sale securities	192,520	220,929	28,409	159,568	191,614	32,046	32,951
Total	198,506	226,920	28,413	161,193	193,239	32,046	37,312
Japanese stocks	194,416	207,567	13,150	160,537	176,744	16,207	33,879
Japanese bonds	7,868	8,217	349	-8,914	1,293	10,207	16,782
Foreign securities and others (*1)	-3,778	11,135	14,913	9,570	15,201	5,631	-13,348
(Net unrealized gains on available-for-sale securities, net of tax)	114,337	-----	-----	94,783	-----	-----	19,554

(*1) Most part of securities categorized in "Foreign securities and others" are US Treasuries and German Bunds. The figures in the tables are translated in Japanese Yen.

Although the value is shown in Japanese Yen, those bonds are funded by repo transactions. Thus there is no foreign exchange rate risk.

(2) Principal guaranteed trust a/c

(Non-consolidated)

	Millions of Yen		
	Net		Change of net
	Mar. 2005	Mar. 2004	
Total	549	1,863	-1,314
Japanese stocks	-	-	-
Japanese bonds	549	1,095	-546
Foreign securities and others	-	768	-768

3. BIS capital ratio (Consolidated)

	Millions of Yen			
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Mar. 2004
Total capital	1,489,403	1,505,617	1,390,649	98,753
Tier I	861,795	839,779	789,900	71,895
Net unrealized losses on available-for-sale securities, net of tax	-	-	-	-
Minority interest in consolidated subsidiaries	85,208	90,802	90,277	-5,069
Non-cumulative preferred capital notes	83,000	83,000	83,000	-
Tier II	658,718	670,778	605,517	53,201
Upper Tier II	322,318	309,878	276,317	46,001
Net unrealized gains on available-for-sale securities, net of tax	88,265	61,225	72,605	15,659
Revaluation surplus on land, after 55% discount	1,378	1,393	1,616	-238
General reserves	44,075	58,659	73,425	-29,350
Perpetual subordinated debts	188,600	188,600	128,670	59,930
Lower Tier II	336,400	360,900	329,200	7,200
Termed subordinated debts, etc.	336,400	360,900	329,200	7,200
Deduction (double gearing)	31,110	4,939	4,767	26,342
Total risk adjusted assets	11,914,889	11,364,083	11,168,978	745,911
On-balance-sheet items	11,031,445	10,437,249	10,165,760	865,685
Off-balance-sheet items	828,899	840,804	939,211	-110,311
Market risk equivalent	54,544	86,029	64,006	-9,462
BIS capital ratio	12.50%	13.24%	12.45%	0.05%
(Tier I ratio)	7.23%	7.38%	7.07%	0.16%

Note: Non-consolidated BIS capital ratio and Tier I ratio are 12.58% and 7.21%, respectively.

4. Adequacy for calculating and posting net deferred tax assets

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

The recoverability of deferred tax assets is estimated from future taxable income that is estimated based on the mid-term plan as well as historical financial performance.

Although material amount of loss carried forwards exists at the end of the fiscal year 2004, it is due to extraordinary causes in the past.

Thus, the proviso of item 4 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 in reasonable term for estimation (5 years).

There are negative numbers for taxable income in the past five years, but those are due to extraordinary causes as following;

- Devaluation of stocks
- Proactive final disposition of non-performing loans in line with Japanese government's policy
- Acceleration of unwinding of cross share-holdings to meet the regulation

	Billions of Yen				
	FY2004	FY2003	FY2002	FY2001	FY2000
Taxable income before deduction of loss carry forwards	127.7	33.8	-221.2	52.4	-122.4
Net business profit before credit costs	148.2	145.0	158.8	150.2	144.1

Note: Taxable income before deduction of loss carry forwards of FY2004 is estimated amount.

2. Estimated amount for future taxable income (Non-consolidated)

Net business profit before credit costs, income before income taxes, and taxable income which are used for estimation of future tax income

	Billions of Yen	
	Total from FY2005 to FY2009	
Net business profit before credit costs	820.0	
Income before income taxes	670.0	
Taxable income before deduction of existing deferred tax assets factors	704.0	
Effective tax rate for calculation of deferred tax assets	40.61%	

3. Major factors for deferred tax assets and deferred tax liabilities (Non-consolidated)

	Billions of Yen	
	Mar. 2005	Mar. 2004
Deferred tax assets	154.4	209.6
Reserves for possible loan losses (including taxable losses on write-offs)	27.4	34.1
Devaluation of securities	34.1	36.3
Reserves for employee retirement benefit	11.3	9.5
Loss carry forwards	56.2	105.4
Others	29.8	28.7
Valuation allowance	-4.5	-4.5
Deferred tax liabilities	81.9	68.2
Net unrealized gains on available-for-sale securities	78.1	64.7
Others	3.7	3.4
Net deferred tax assets (on the balance sheet)	72.5	141.3

4. Percentage to capital (Non-consolidated)

	Billions of Yen		
	Mar. 2005	Mar. 2004	Change
Net deferred tax assets (A)	72.5	141.3	-68.8
Tier I (B)	855.2	790.2	64.9
Percentage (A) / (B)	8.4%	17.8%	-9.4%

5. Major factors for deferred tax assets (Consolidated)

	Billions of Yen	
	Mar. 2005	Mar. 2004
Deferred tax assets	162.2	218.3
Reserves for possible loan losses (including taxable losses on write-offs)	29.5	35.9
Devaluation of securities	34.1	36.3
Reserve for employee retirement benefit	12.2	10.3
Loss carry forwards	59.1	108.6
Unrealized profit	4.8	6.6
Others	30.8	29.4
Valuation allowance	-8.4	-9.0
Deferred tax liabilities	81.9	68.3
Net unrealized gains on available-for-sale securities	78.2	64.8
Others	3.7	3.5
Net deferred tax assets (on the balance sheet)	80.3	150.0
Net deferred tax liabilities (on the balance sheet)	0.0	0.2

6. Percentage to capital (Consolidated)

	Billions of Yen		
	Mar. 2005	Mar. 2004	Change
Net deferred tax assets (A)	80.3	150.0	-69.7
Tier I (B)	861.7	789.9	71.8
Percentage (A) / (B)	9.3%	18.9%	-9.6%

(*) 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 1: Companies which report taxable income every year, and the taxable income sufficiently exceeds temporary differences that will result in deductible amounts in the future years.

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.

Item 3: Companies which show unstable business performance and do not report taxable income enough for covering temporary differences that result in deductible amounts in the future.

Item 4: Companies which post material amount of loss carry forwards.

Proviso of item 4: Companies which post material amount of loss carry forwards but report taxable income every year except for extraordinary causes.

Item 5: Companies have post material amount of loss carry forwards for consecutive years (most commonly 3 years and more).

5. Cross shareholdings

(1) Cross shareholdings (Market price available)

(Consolidated)

	Billions of Yen		
	Mar. 2005	Sep. 2004	Mar. 2004
Cost basis (A)	440.2	430.7	450.8
Mark-to-market basis	633.3	572.9	609.9
Tier I (B)	861.7	839.7	789.9
Percentage (A) / (B)	51.0%	51.2%	57.0%

(2) Unwinding of cross shareholdings (Cost basis)

(Non-consolidated)

	Billions of Yen			
	FY2004		FY2003	
	Full FY2004	1HFY2004	Full FY2003	1HFY2003
Actual	30.7	23.0	143.1	101.7

6. Assets classified under the Financial reconstruction law (After partial direct write-offs)

(1) Banking a/c (Non-consolidated)

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Assets classified under the Financial reconstruction law (a)	167,149	196,538	249,044	-29,389	-81,894
Loans in bankrupt and practically bankrupt	10,381	72,361	15,279	-61,979	-4,897
Doubtful loans	86,716	43,381	102,428	43,334	-15,712
Substandard loans (b)	70,051	80,796	131,336	-10,744	-61,285
Ordinary assets	9,444,250	9,109,952	9,132,175	334,297	312,074
Loans to substandard debtors (excluding Substandard loans) (c)	1,698	18,798	4,083	-17,100	-2,385
Loans to special mention debtors (excluding (b) and (c))	334,604	409,553	472,377	-74,949	-137,773
Loans to ordinary debtors	9,107,947	8,681,599	8,655,714	426,347	452,232
Total loan balance (d)	9,611,399	9,306,491	9,381,220	304,908	230,179
Ratio to total loan balance (a) / (d)	1.7%	2.1%	2.7%	-0.4%	-1.0%
Loans to substandard debtors (b)+(c)	71,749	99,594	135,420	-27,844	-63,670

Note: Partial direct write-offs: Mar. 2005: 72.3 billion Yen, Sep. 2004: 63.3 billion Yen, Mar. 2004: 103.4 billion Yen

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

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Assets classified under the Financial reconstruction law (e)	17,054	26,463	39,864	-9,408	-22,809
Loans in bankrupt and practically bankrupt	5,079	6,839	3,452	-1,760	1,627
Doubtful loans	1,402	4,501	10,672	-3,098	-9,269
Substandard loans (f)	10,571	15,121	25,738	-4,549	-15,167
Ordinary assets	718,871	821,829	989,676	-102,958	-270,805
Loans to substandard debtors (excluding Substandard loans) (g)	303	551	720	-247	-416
Loans to special mention debtors (excluding (f) and (g))	13,819	17,540	24,798	-3,720	-10,978
Loans to ordinary debtors	704,747	803,737	964,158	-98,989	-259,410
Total loan balance (h)	735,925	848,292	1,029,541	-112,367	-293,615
Ratio to total loan balance (e) / (h)	2.3%	3.1%	3.9%	-0.8%	-1.6%
Loans to substandard debtors (f)+(g)	10,875	15,672	26,459	-4,797	-15,583

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

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Assets classified under the Financial reconstruction law (A)	184,203	223,001	288,908	-38,797	-104,704
Loans in bankrupt and practically bankrupt	15,461	79,201	18,731	-63,739	-3,269
Doubtful loans	88,119	47,882	113,101	40,236	-24,982
Substandard loans (B)	80,623	95,917	157,075	-15,294	-76,452
Ordinary assets	10,163,121	9,931,782	10,121,852	231,339	41,268
Loans to substandard debtors (excluding substandard loans) (C)	2,002	19,350	4,803	-17,347	-2,801
Loans to special mention debtors (excluding (B) and (C))	348,424	427,094	497,176	-78,669	-148,752
Loans to ordinary debtors	9,812,694	9,485,337	9,619,872	327,357	192,822
Total loan balance (D)	10,347,325	10,154,783	10,410,761	192,541	-63,435
Ratio to total loan balance (A) / (D)	1.8%	2.2%	2.8%	-0.4%	-1.0%
Loans to substandard debtors (B)+(C)	82,625	115,267	161,879	-32,642	-79,254

(4) Reserve ratio for loans to special mention/ordinary debtors (general reserves) (Banking a/c) (Non-consolidated)

	Percentage points				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Special mention	7.6	9.5	10.4	-1.9	-2.8
Substandard debtors	15.6	13.8	17.9	1.8	-2.3
Against uncovered portion	32.2	43.1	42.6	-10.9	-10.4
Other than substandard debtors	5.9	8.5	8.2	-2.6	-2.3
Ordinary debtors	0.1	0.1	0.1	0.0	0.0

Note: Reserve ratio = general reserves/loan amount

(5) Asset classified under the Financial reconstruction law as of March 31, 2005 (Non-consolidated)

(Banking a/c)

(in millions of Yen)

	Balance		Collateral/Reserves	Reserve ratio
		Coverage ratio		
Loans in bankrupt/ practically bankrupt (A)	(a)			
	10,381 (15,279)	100% (100%)	Specific loan loss reserves (b) 978 Guarantee and collateral (c) 9,403	100% (100%) (b) / ((a)-(c))
Doubtful loans (B)	(d)		Uncovered 5,328	82%
	86,716 (102,428)	93% (95%)	Specific loan loss reserves (e) 25,787	(86%)
			Guarantee and collateral (f) 55,601	(e) / ((d)-(f))
Substandard loans (C)	(g)		Uncovered 23,504	31%
	70,051 (131,336)	66% (75%)	General reserves (h) 11,054	(42%)
			Guarantee and collateral (i) 35,493	(h) / ((g)-(i))
Ordinary assets	9,444,250 (9,132,175)		General reserves 31,242 Reserves for loans to borrowers in specific foreign countries 448	
	9,611,399 (9,381,220)			
Total			Total of (A),(B) and (C) 167,149 (249,044)	Ratio to total loan balance 1.7%

(Principal guaranteed trust a/c)

(in millions of Yen)

	Balance		Collateral/Reserves	Reserves for principal
		Coverage Ratio		
Loans in bankrupt/ practically bankrupt (D)	5,079 (3,452)	100% (100%)	Guarantee and collateral 5,079	5,781 Reserves for loan trust
	Doubtful loans (E)	1,402 (10,672)	68% (87%)	Uncovered 447
Guarantee and collateral 955				
Substandard loans (F)	10,571 (25,738)	53% (51%)	Uncovered 4,947	
			Guarantee and collateral 5,624	
Ordinary assets	718,871 (989,676)			
Total	735,925 (1,029,541)		Total of (D), (E) and (F) 17,054 (39,864)	Ratio to total loan balance 2.3%

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

Grand total	10,347,325 (10,410,761)	Total of (A),(B),(C),(D),(E) and (F) 184,203 (288,908)	Ratio to grand total loan balance 1.8%
-------------	-----------------------------	--	---

Note: Numbers in parenthesis are as of Mar. 2004

7. Forecast for FY2005

	Billions of Yen			
	Forecast for FY2005		FY2004 (Actual) (B)	Change (A)-(B)
	Full FY2005(A)	1HFY2005		
<u>(Non-consolidated)</u>				
Net business profits before credit costs	150.0	70.0	148.2	1.7
Net business profits	150.0	70.0	142.1	7.8
Total credit costs	20.0	10.0	-1.4	21.4
Banking a/c net credit costs	20.0	10.0	-7.5	27.5
Trust a/c net credit costs	0.0	0.0	6.1	-6.1
Other non-recurring items	-10.0	-5.0	-9.9	-0.0
Net operating income	120.0	55.0	120.5	-0.5
Net income	72.0	33.0	84.7	-12.7
Dividend per common stock (Yen)	12.00	6.00	12.00	-
<u>(Consolidated)</u>				
Net operating income	140.0	65.0	134.1	5.8
Net income	80.0	37.0	96.8	-16.8

Note: Forecast is subject to change

8. Mid-term financial objectives and business strategies

Sumitomo Trust promotes differentiation from the competition through both trust and real estate related business that are positioned as the main pillars of its business model. Sustained growth will be maintained in dynamic profit-generating areas focusing on “distinctive retail services leveraging trust functions” and “investment banking business based on trust business”, with a yet greater emphasis on superior customer services.

Promoting “distinctive retail services leveraging trust functions” starts with development of close ties with each individual customer from the initial welcome at our offices. We build a relationship of confidence with high satisfaction by proposing tailor-made solutions making best use of our trust functions for overall asset investment and administration, real-estate, pension, inheritance, will-writing and other such services which are specific to trust bank and its retail customer base.

As for “investment banking business based on trust business”, it means promoting activities specific to a trust bank that is expert in real estate, equipment and credit risk management. Such activities can be broadly divided into two groups as follows, 1. Investment banking, such as arranging project finance and non-recourse loans, marketing real estate and other asset securitization products or funds to investors. 2. proprietary investment for our own account in various equity and credit-based assets.

To realize the above, a mid-term financial target for FY2008 has been set up, i.e. over 200 billion yen in consolidated net business profit before credit costs, over 100 billion yen in consolidated net profit, and a 10% level consolidated ROE. For that purpose, each business group is implementing policies as detailed below.

(1) Mid-term financial target for FY2008 (Consolidated)

	Billions of Yen	
	FY2004 Actual	FY2008 Target
Net business profits before credit costs	161.1	Over 200
Net income	96.8	Over 100
ROE	11.80%	10%

(2) Business strategies

1. Retail Financial Services Group

By making full use of the favorable opportunity afforded by the introduction of the deposit guarantee cap system, we are providing “distinctive retail services leveraging trust functions” to our customers and raising our presence in the financial industry.

2. Wholesale Financial Services Group

In addition to further business promotion in our signature niches such as asset securitization products and real estate non-recourse loans, we are diversifying targets for our proprietary investment activities to achieve yet greater profit expansion. Higher profits are also aimed at through business reorganization and the thorough expansion of our palette of trust and real estate related business products, including work place marketing products.

3. Treasury and Financial Products Group

We aim at substantial and stable profit growth by actively promoting investment in credit and equity assets centering on secondary market transactions, and alternative investment funds.

4. Fiduciary Services Group

This is the core business that differentiates us from the competition. By focusing our strengths on products with high relative profitability such as alternative investment instruments in the field of asset management business and equity investment trusts in the field of custodial services, we intend to expand significantly our market share.

5. Real Estate Group

In the field of real estate, we pursue to rank in top-class position among all trust banks in terms of profitability, and plan to continue strengthening our position by increasing our sales organization through such measures as increased information-gathering capacity, the development of private funds, equity investment activity, and the launch of J-REITs, thereby boosting our “investment banking business based on trust business”.

Regarding the companies in the group which are rapidly increasing their range of business and profitability, we intend to make full use of their strengths and features to produce a synergy effect that will help our entire group of companies achieve yet higher profitability and broader business base.

II. Supplementary information I

1. Total risk adjusted assets, capital and deferred tax assets (Consolidated)

	Billions of Yen			
	Total risk adjusted assets	Total	Capital Tier I	Tier II
Mar. 2002	11,908.0	1,293.6	734.1	562.4
Mar. 2003	11,580.8	1,213.9	706.1	511.3
Mar. 2004	11,168.9	1,390.6	789.9	605.5
Mar. 2005	11,914.8	1,489.4	861.7	658.7

	Billions of Yen	
	Deferred tax assets	BIS capital ratio
Mar. 2002	250.3	10.86%
Mar. 2003	279.4	10.48%
Mar. 2004	150.0	12.45%
Mar. 2005	80.3	12.50%

2. Net business profit (Non-consolidated)

	Billions of Yen			
	Net business profit before net transfer to general reserves	Net business profit	Net business profit before principal guaranteed a/c credit costs Before net transfer to general reserves	Net business profit before principal guaranteed a/c credit costs
FY2003	140.3	140.3	145.0	145.0
FY2004	142.1	142.1	148.2	148.2
FY2005 (Forecast)	150.0	150.0	150.0	150.0
1HFY2005(Forecast)	70.0	70.0	70.0	70.0

3. Non-performing loans

(1) Credit costs
(Consolidated)

	Billions of Yen			
	Net transfer to general reserves (a)	Banking a/c credit costs (*) (b)	Principal guaranteed trust a/c credit costs (c)	Total credit costs (a)+(b)+(c)
FY2003	-	18.0	4.6	22.7
FY2004	-	-6.1	6.1	-0.0
1HFY2004	-	-16.0	3.1	-12.9

(*) For banking a/c credit costs, the sum of credit costs is booked to be non-recurring loss. However, in the table above, 1.1 billion yen of reversal of reserves (extraordinary income item) is included for FY2003, 16.7 billion yen of reversal of reserves (extraordinary income item) is included for 1HFY2004, and 17.8 billion yen of reversal of reserves (extraordinary income item) is included for FY2004.

(Non-consolidated)

	Billions of Yen			
	Net transfer to general reserves (a)	Banking a/c credit costs (*) (b)	Principal guaranteed trust a/c credit costs (c)	Total credit costs (a)+(b)+(c)
FY2003	-	17.1	4.6	21.8
FY2004	-	-7.5	6.1	-1.4
1HFY2004	-	-16.2	3.1	-13.1
FY2005(Forecast)	0.0	20.0	0.0	20.0
1HFY2005(Forecast)	0.0	10.0	0.0	10.0

(*) For banking a/c credit costs, the sum of credit costs is booked to be non-recurring loss. However, in the table above, 1.9 billion yen of reversal of reserves (extraordinary income item) is included for FY2003, 16.9 billion yen of reversal of reserves (extraordinary income item) is included for 1HFY2004, and 19.1 billion yen of reversal of reserves (extraordinary income item) is included for FY2004.

(2) Outstanding amount (Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)
(Classification under self-assessment)

	Billions of Yen				
	Legally/ virtually bankrupt (a)	Potentially bankrupt (b)	Potentially bankrupt or worse categories (a)+(b)	Special mention (=Watch list) including Substandard (c)	(a)+(b)+(c)
Mar. 2004	18.7	113.1	131.8	659.1	790.9
Sep. 2004	79.2	47.9	127.1	542.4	669.4
Mar. 2005	15.5	88.1	103.6	431.0	534.6

(Classification under the Financial reconstruction law)

	Billions of Yen	
	Substandard Loans (d)	(a)+(b)+(d)
Mar. 2004	157.1	288.9
Sep. 2004	95.9	223.0
Mar. 2005	80.6	184.2

(3) Final disposal and new entry (Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)

a. Outstanding amount (Compared to Mar. 2004)

	Billions of Yen		
	Loans in bankrupt/ practically bankrupt	Doubtful loans	Total
Mar. 2004	18.7	113.1	131.8
Mar. 2005	15.5	88.1	103.6
New entry during FY2004	6.2	77.8	84.0
Final disposal during FY2004	-77.6	-34.7	-112.3
Category migration during FY2004	68.1	-68.1	-
Net	-3.3	-25.0	-28.3

b. Outstanding amount (Compared to Sep. 2004)

	Billions of Yen		
	Loans in bankrupt/ practically bankrupt	Doubtful loans	Total
Sep. 2004	79.2	47.9	127.1
Mar. 2005	15.5	88.1	103.6
New entry during 2HFY2004	4.7	65.0	69.7
Final disposal during 2HFY2004	-72.5	-20.7	-93.2
Category migration during 2HFY2004	4.1	-4.1	-
Net	-63.7	40.2	-23.5

c. Breakdown by disposal methods

	Billions of Yen				
	Liquidation	Reconstruction	Financial condition improvement along with reconstruction	Outright Sale	
				Sale to RCC	
FY2004	19.5	2.4	0.3	35.6	-
1HFY2004	18.5	0.4	0.2	26.2	-

	Billions of Yen				
	Direct write-offs	Others			Total
		Total	Collection/repayment	Financial condition improvement	
FY2004	-36.2	90.7	88.8	1.9	112.3
1HFY2004	-38.0	11.8	10.3	1.4	19.1

(4) Financial support to debtors (Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)

	FY2004		
	Amount (Billions of Yen)	Number of companies	Company name
Debt forgiveness	-	-	-----
Based on private sector resolution guideline	-	-	-----
Debt to equity swap	-	-	-----
Preferred stock	-	-	-----
Total	-	-	-----

Note: Based on public announcement

(5) Cash reserves and cash reserve ratio for each category of debtor (Banking a/c) (Non-consolidated)

		Mar. 2005		Sep. 2004	
		Cash reserve ratio	Cash reserves(*) (Billions of Yen)	Cash reserve ratio	Cash reserves(*) (Billions of Yen)
Loans to bankrupt and practically bankrupt debtors	against uncovered portion	100.0%	0.9	100.0%	1.0
Loans to doubtful debtors	against uncovered portion	82.8%	25.7	84.8%	21.7
Loans to substandard debtors	against uncovered portion	32.2%	11.2	43.1%	13.7
	against loan amount	15.6%		13.8%	
Loans to special mention debtors (excluding Loans to substandard debtors)	against loan amount	5.9%	19.9	8.5%	34.9
Loans to ordinary debtors	against loan amount	0.1%	11.0	0.1%	8.6

(*) Cash reserves = General reserves or specific loan losses reserves

(6) Cash reserves for loans to substandard debtors calculated based on discount cash flow method (Banking a/c) (Non-consolidated)

	Numbers of applicable debtors	Cash reserves (Billions of Yen)	Reserve ratio against uncovered portion
Mar. 2004	16	39.4	47.0%
Sep. 2004	15	30.6	42.2%
Mar. 2005	12	16.4	26.7%

Note: Discount cash flow method is applied to the substandard debtors and part of special mention debtors with exposure of 5 billion yen or more.

(7) Non-performing loan ratio (Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)

	Mar. 2002	Sep. 2002	Mar. 2003	Sep. 2003	Mar. 2004
The Financial reconstruction law basis	6.1%	5.1%	3.6%	3.4%	2.8%

	Sep. 2004	Mar. 2005
The Financial reconstruction law basis	2.2%	1.8%

4. Cross shareholdings

(1) Cross shareholdings (Market price available)

(Consolidated)

	Billions of Yen		
	Cost basis	Mark-to-market basis	Tier I
Mar. 2004	450.8	609.9	789.9
Sep. 2004	430.7	572.9	839.7
Mar. 2005	440.2	633.3	861.7

(2) Unwinding of cross shareholdings (Cost basis)

(Non-consolidated)

	Billions of Yen
	Total
FY2004	30.7
1HFY2004	23.0

(3) Losses on devaluation of stocks (Non-consolidated)

	Billions of Yen	
	Net gains/ losses of stocks	
	Losses on devaluation of stocks	
FY2003	25.6	-3.0
FY2004	13.6	-4.2

5. Loans

(1) Loans to small and mid-sized corporations (Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)

	Loan amount (Billions of Yen)	Loan ratio (%)
Mar. 2004	4,403.0	45.5
Mar. 2005	4,286.0	45.2

(2) Loans by industry (Banking a/c and principal guaranteed trust a/c combined) (Non-consolidated)

		Billions of Yen				
		Total amount	Risk managed loans			
			Loans more than 3 months past	Restructured loans	Other delinquent loans	Loans in bankruptcy proceedings
Wholesale and retail	Mar. 2004	874.2	-	20.2	5.7	4.1
	Mar. 2005	790.0	-	0.8	1.8	2.8
Construction	Mar. 2004	182.8	-	57.2	0.2	1.4
	Mar. 2005	176.8	0.1	14.4	17.0	-
Real estate	Mar. 2004	928.0	-	16.5	75.6	7.0
	Mar. 2005	1,247.0	-	3.8	58.9	0.3
Finance and insurance	Mar. 2004	2,443.5	-	1.9	2.3	0.2
	Mar. 2005	1,925.9	-	-	1.7	0.1

(3) Non-recourse loans related to real estate (Non-consolidated)

	Loan amount (Billions of Yen)
Mar. 2004	427.8
Mar. 2005	654.8

III. Supplementary information II

1. Return on equity (Non-consolidated)

		Yen		
		FY2004	FY2003	Change
Dividend per stock	Common stock	12.00	6.00	6.00
	Preferred stock	-	6.08	-6.08
Net income per common stock		52.34	50.09	2.25
Return (Net business profit before trust a/c credit costs) on equity		18.1%	22.7%	-4.6%
Return (Net business profit before credit costs) on equity		18.1%	22.7%	-4.6%
Return (Net income) on equity		10.3%	11.5%	-1.2%
		Millions of Yen		
Total stockholder's equity (ending balance)		903,013	808,432	94,581
Net unrealized gains/losses on available-for-sale securities, net of tax		114,337	94,783	19,554

2. Spread (Non-consolidated)

(1) Domestic banking a/c

		Percentage points		
		FY2004	FY2003	Change
Average yield on interest-earning assets (A)		1.19	1.16	0.03
Loans and bills discounted (a)		1.26	1.29	-0.03
Bonds (b)		0.90	1.03	-0.13
Average yield on interest-bearing liabilities (B)		0.25	0.32	-0.07
Deposits (c)		0.21	0.21	0.00
Gross margin (A) - (B)		0.94	0.84	0.10
Loan-deposit margin (a) - (c)		1.05	1.08	-0.03

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

		Percentage points		
		FY2004	FY2003	Change
Average yield on interest-earning assets (A)		1.25	1.22	0.03
Loans and bills discounted (a)		1.29	1.32	-0.03
Bonds (b)		0.93	1.07	-0.14
Average yield on interest-bearing liabilities (B)		0.19	0.24	-0.05
Deposits (c)		0.17	0.17	0.00
Gross margin (A) - (B)		1.06	0.98	0.08
Loan-deposit margin (a) - (c)		1.12	1.15	-0.03

3. Breakdown of gains/ losses on securities (Non-consolidated)**(1) Bond related**

	Millions of Yen		
	FY2004	FY2003	Change
Net gains/losses on bonds	9,768	28,503	-18,735
Gains on sale of bonds	43,260	72,474	-29,214
Gains on redemption of bonds	-	-	-
Losses on sale of bonds	33,491	43,272	-9,780
Losses on redemption of bonds	-	159	-159
Losses on devaluation of bonds	-	538	-538

(2) Stock related

	Millions of Yen		
	FY2004	FY2003	Change
Net gains/losses on stocks	13,622	25,640	-12,017
Gains on sale of stocks	18,642	41,281	-22,638
Losses on sale of stocks	765	12,624	-11,859
Losses on devaluation of stocks (*)	4,254	3,016	1,238

(*) The Bank applies the rule for stock valuation as follows under Japanese GAAP.

- Values of the stocks whose market values are obtainable in the markets are determined on the basis of the 1-month-average of their daily closing prices during March 2005 (the closing month of FY2004).
- The Bank adopts the standard for devaluation of stocks shown below.

Standard for devaluation of stocks

	Less than 30%	30 - 50%	More than 50%
Stocks of ordinary debtors			
Stocks of special mention or worse debtors		To be devaluated	

Devaluation of listed stocks

	Millions of Yen		
	Less than 30%	30 - 50%	More than 50%
Stocks of ordinary debtors	-	-	-
Stocks of special mention or worse debtors	-	12	-

4. Unrealized gains/losses on financial derivatives

(1) Unrealized gains/losses on financial derivatives reflected upon the statement of income
(Consolidated)

	Millions of Yen		
	Mar. 2005	Mar. 2004	Change
Interest rate related	13,768	20,985	-7,216
Interest rate swaps	24,474	55,401	-30,926
Currency related	6,931	5,077	1,854
Stock related	38	-358	396
Bond related	-693	-4,653	3,960
Credit derivatives	1	-4	5
Total	20,046	21,046	-999

(Non-consolidated)

	Millions of Yen		
	Mar. 2005	Mar. 2004	Change
Interest rate related	13,777	20,991	-7,213
Interest rate swaps	24,483	55,407	-30,923
Currency related	6,931	5,077	1,854
Stock related	38	-358	396
Bond related	-693	-4,653	3,960
Credit derivatives	1	-4	5
Total	20,056	21,052	-996

(2) Derivatives to which hedge accounting is applicable

(Non-consolidated)

	Millions of Yen		
	Mar. 2005	Mar. 2004	Change
Interest rate related	22,869	-8,337	31,207
Interest rate swaps	22,869	-8,337	31,207
Currency related	-180	-214	33
Total	22,688	-8,552	31,241

5. General & administrative expenses (Non-consolidated)

	Millions of Yen		
	FY2004	FY2003	Change
General & administrative expenses	114,347	111,974	2,372
Personnel expenses	44,909	46,410	-1,501
Non-personnel expenses excluding taxes	62,755	60,740	2,015
Taxes other than income taxes	6,682	4,823	1,858

6. Number of directors and employees (Non-consolidated)

	Mar. 2005	Mar. 2004	Change
Number of directors and statutory auditors	16	17	-1
Statutory auditors	5	5	-
Number of employees (*)	4,991	4,843	148

(*) Including clerical staff, and staff dispatched from other companies. Not including part-timers.

7. Number of branches and subsidiaries (Non-consolidated)

	Mar. 2005	Mar. 2004	Change
Number of domestic branches (*1)	51	51	-
Number of overseas branches	3	3	-
Number of overseas subsidiaries (*2)	4	3	1

(*1) Excluding satellite offices (10 offices in Mar. 2005 and 15 offices in Mar. 2004)

(*2) Excluding special purpose companies

8. Employee retirement benefits

(Consolidated)

		Millions of Yen		
		Mar. 2005	Mar. 2004	Change
Projected benefit obligation	(A)	198,046	193,556	4,489
(Discount rate)		(2.0%)	(2.0%)	(-%)
Plan assets (market value)	(B)	228,851	222,920	5,930
Reserves for employee retirement benefits	(C)	2,551	2,440	111
Advance benefit paid	(D)	67,450	70,795	-3,345
Unrecognized net plan assets	(E)	-	29,444	-29,444
Unrecognized net transition obligation	(F)	-	3,659	-3,659
Unrecognized net prior service cost	(G)	1,739	2,049	-310
Unrecognized net actuarial loss	(A-B-C+D+E-F-G)	32,354	62,725	-30,371

		Millions of Yen		
		FY2004	FY2003	Change
Retirement benefit expenses		10,496	16,873	-6,376

(Non-consolidated)

		Millions of Yen		
		Mar. 2005	Mar. 2004	Change
Projected benefit obligation	(A)	195,007	190,687	4,320
(Discount rate)		(2.0%)	(2.0%)	(-%)
Plan assets (market value)	(B)	228,051	222,217	5,834
Reserves for employee retirement benefits	(C)	335	305	30
Advance benefit paid	(D)	67,450	70,795	-3,345
Unrecognized net plan assets	(E)	-	29,444	-29,444
Unrecognized net transition obligation	(F)	-	3,659	-3,659
Unrecognized net prior service cost	(G)	1,739	2,049	-310
Unrecognized net actuarial loss	(A-B-C+D+E-F-G)	32,331	62,694	-30,362

		Millions of Yen		
		FY2004	FY2003	Change
Retirement benefit expenses		10,147	16,372	-6,224
Service cost-benefits earned		4,222	3,632	589
Interest cost on projected benefit obligation		3,807	4,830	-1,023
Expected return on plan assets		-7,454	-5,574	-1,880
Amortization of net transition obligation		3,659	3,659	-
Amortization of prior service cost		310	310	-
Amortization of net actuarial losses(*)		4,826	8,106	-3,279
Others (additional benefit at retirement, etc.)		774	1,405	-631

(*) Early application effect of "Accounting Standard for Employee Retirement Benefits" (issued by the Business Accounting Deliberation Council on June 16, 1998) revised on March 16, 2005 is included. This standard permits unrealized net plan assets regarded as assets or profit from this fiscal year.

9. Risk managed loans

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

		Millions of Yen				
		Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Risk managed loans	Loans in bankruptcy proceedings	4,712	13,407	15,068	-8,694	-10,355
	Other delinquent loans	98,830	113,317	116,550	-14,486	-17,719
	Loans more than 3 months past due	188	15	18	173	170
	Restructured loans	80,450	95,917	157,075	-15,467	-76,625
	Total Loans under risk management	184,182	222,657	288,712	-38,474	-104,530
Partial direct write-offs: Mar. 2005: 74.8 billion yen, Sep. 2004: 67.1 billion yen, Mar. 2004: 107.1 billion yen						
Total Loan Balance		9,749,845	9,576,920	9,891,600	172,925	-141,754
		Percentage points				
% to total loan balance	Loans in bankruptcy proceedings	0.05	0.14	0.15	-0.09	-0.10
	Other delinquent loans	1.01	1.18	1.18	-0.17	-0.17
	Loans more than 3 months past due	0.00	0.00	0.00	0.00	0.00
	Restructured loans	0.83	1.00	1.59	-0.17	-0.76
	Total Loans under risk management	1.89	2.32	2.92	-0.43	-1.03

(2) Banking a/c loans (Non-consolidated)

		Millions of Yen				
		Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Risk managed loans	Loans in bankruptcy proceedings	2,906	9,655	12,351	-6,749	-9,445
	Other delinquent loans	93,099	104,431	103,724	-11,331	-10,624
	Loans more than 3 months past due	173	-	-	173	173
	Restructured loans	69,878	80,796	131,336	-10,917	-61,458
	Total Loans under risk management	166,056	194,882	247,412	-28,825	-81,355
Partial direct write-offs: Mar. 2005: 72.3 billion yen, Sep. 2004: 63.3 billion yen, Mar. 2004: 103.4 billion yen						
Total loan balance		9,035,826	8,752,611	8,887,978	283,214	147,847
		Percentage points				
% to total loan balance	Loans in bankruptcy proceedings	0.03	0.11	0.14	-0.08	-0.11
	Other delinquent loans	1.03	1.19	1.17	-0.16	-0.14
	Loans more than 3 months past due	0.00	-	-	0.00	0.00
	Restructured loans	0.77	0.92	1.48	-0.15	-0.71
	Total Loans under risk management	1.84	2.23	2.78	-0.39	-0.94

(3) Principal guaranteed trust a/c loans (Non-consolidated)

		Millions of Yen				
		Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
	Loans in bankruptcy proceedings	1,737	3,650	2,563	-1,913	-826
Risk	Other delinquent loans	4,745	7,691	11,561	-2,945	-6,816
managed	Loans more than 3 months past due	-	-	-	-	-
loans	Restructured loans	10,571	15,121	25,738	-4,549	-15,167
	Total Loans under risk management	17,054	26,463	39,864	-9,408	-22,809
Total loan balance		735,925	848,292	1,029,541	-112,367	-293,615

		Percentage points				
	Loans in bankruptcy proceedings	0.24	0.43	0.25	-0.19	-0.01
% to total	Other delinquent loans	0.64	0.91	1.12	-0.27	-0.48
loan	Loans more than 3 months past due	-	-	-	-	-
balance	Restructured loans	1.44	1.78	2.50	-0.34	-1.06
	Total Loans under risk management	2.32	3.12	3.87	-0.80	-1.55

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

		Millions of Yen				
		Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
	Loans in bankruptcy proceedings	4,643	13,305	14,915	-8,662	-10,271
Risk	Other delinquent loans	97,844	112,122	115,285	-14,277	-17,440
managed	Loans more than 3 months past due	173	-	-	173	173
loans	Restructured loans	80,450	95,917	157,075	-15,467	-76,625
	Total Loans under risk management	183,111	221,345	287,276	-38,234	-104,165
Total Loan Balance		9,771,751	9,600,904	9,917,519	170,847	-145,767

		Percentage points				
	Loans in bankruptcy proceedings	0.05	0.14	0.15	-0.09	-0.10
% to total	Other delinquent loans	1.00	1.17	1.16	-0.17	-0.16
loan	Loans more than 3 months past due	0.00	-	-	0.00	0.00
balance	Restructured loans	0.82	1.00	1.58	-0.18	-0.76
	Total Loans under risk management	1.87	2.31	2.90	-0.44	-1.03

10. Final disposal of non-performing loans

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

(1) Loans outstanding in doubtful or worse categories as of Sep. 2000 and disposal thereafter

a. Outstanding amount

	Billions of Yen					
	Sep. 2000	Mar. 2001	Sep. 2001	Mar. 2002	Sep. 2002	Mar. 2003
Loans in bankrupt/practically bankrupt	112.1	82.7	89.9	38.4	55.9	14.3
Doubtful loans	614.7	377.5	277.7	240.2	159.4	72.7
Total	726.8	460.2	367.6	278.6	215.3	86.9

	Billions of Yen				
	Sep. 2003	Mar. 2004	Sep. 2004	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	13.0	6.2	63.8	3.2	-60.6
Doubtful loans	72.0	64.3	2.2	1.3	-0.9
Total	84.9	70.5	66.0	4.6	-61.5
				(A)	(B)

b. Breakdown by disposal methods

	Billions of Yen	
	2HFY2004	
Liquidation	-	
Reconstruction	-	
Financial condition improvement along with reconstruction	-	
Outright sales	1.6	
Direct write-offs	-0.7	
Others	60.6	
Collection/repayment	60.6	
Financial condition improvement	-	
Total	61.5	(B)

c. Quasi final disposal or in the process of final disposal (out of **(A)**)

	Billions of Yen	
	2HFY2004	
Legal liquidation	4.4	
Quasi legal liquidation	-	
Divided into good company and bad company	-	
Residual of small amount loans after partial write-offs	0.2	
Entrusted to RCC	-	
Total	4.6	

(2) New entry to doubtful or worse categories during 2HFY2000 and disposal thereafter

a. Outstanding amount

	Billions of Yen					
	Mar. 2001	Sep. 2001	Mar. 2002	Sep. 2002	Mar. 2003	Sep. 2003
Loans in bankrupt/practically bankrupt	2.7	0.7	1.3	7.4	6.4	6.9
Doubtful loans	34.5	29.4	26.4	5.5	5.2	2.5
Total	37.2	30.1	27.6	12.8	11.6	9.5

	Billions of Yen			
	Mar. 2004	Sep. 2004	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	6.1	5.7	0.8	-4.9
Doubtful loans	1.2	-	-	-
Total	7.3	5.7	0.8	-4.9
			(C)	(D)

b. Breakdown by disposal methods

	Billions of Yen	
	2HFY2004	
Liquidation	1.0	
Reconstruction	-	
Financial condition improvement along with reconstruction	-	
Outright sales	-	
Direct write-offs	-3.5	
Others	7.3	
Collection/repayment	7.3	
Financial condition improvement	-	
Total	4.9	(D)

c. Quasi final disposal or in the process of final disposal (out of (C))

	Billions of Yen	
	2HFY2004	
Legal liquidation	0.1	
Quasi legal liquidation	-	
Divided into good company and bad company	-	
Residual of small amount loans after partial write-offs	0.5	
Entrusted to RCC	-	
Total	0.7	

(3) New entry to doubtful or worse categories during 1HFY2001 and disposal thereafter

a. Outstanding amount

	Billions of Yen				
	Sep. 2001	Mar. 2002	Sep. 2002	Mar. 2003	Sep. 2003
Loans in bankrupt/practically bankrupt	3.4	2.8	1.5	2.7	1.2
Doubtful loans	54.6	46.1	33.9	22.5	14.8
Total	58.0	48.9	35.4	25.2	16.0

	Billions of Yen			
	Mar. 2004	Sep. 2004	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	0.8	0.8	0.2	-0.6
Doubtful loans	10.6	9.3	9.2	-0.1
Total	11.5	10.1	9.4	-0.7
			(E)	(F)

b. Breakdown by disposal methods

	Billions of Yen	
	2HFY2004	
Liquidation	-	
Reconstruction	-	
Financial condition improvement along with reconstruction	-	
Outright sales	-	
Direct write-offs	-0.0	
Others	0.7	
Collection/repayment	0.7	
Financial condition improvement	-	
Total	0.7	(F)

c. Quasi final disposal or in the process of final disposal (out of (E))

	Billions of Yen	
	2HFY2004	
Legal liquidation	-	
Quasi legal liquidation	-	
Divided into good company and bad company	5.3	
Residual of small amount loans after partial write-offs	-	
Entrusted to RCC	-	
Total	5.3	

(4) New entry to doubtful or worse categories during 2HFY2001 and disposal thereafter

a. Outstanding amount

	Billions of Yen				
	Mar. 2002	Sep. 2002	Mar. 2003	Sep. 2003	Mar. 2004
Loans in bankrupt/practically bankrupt	4.8	2.5	2.1	1.3	0.9
Doubtful loans	111.7	53.7	17.0	8.1	5.2
Total	116.5	56.1	19.1	9.4	6.1

	Billions of Yen		
	Sep. 2004	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	0.9	3.5	2.6
Doubtful loans	4.2	1.3	-2.8
Total	5.1	4.8	-0.3
		(G)	(H)

b. Breakdown by disposal methods

	Billions of Yen	
	2HFY2004	
Liquidation	-	
Reconstruction	-	
Financial condition improvement along with reconstruction	-	
Outright sales	-	
Direct write-offs	0.0	
Others	0.3	
Collection/repayment	0.2	
Financial condition improvement	0.1	
Total	0.3	(H)

c. Quasi final disposal or in the process of final disposal (out of **(G)**)

	Billions of Yen	
	2HFY2004	
Legal liquidation	0.0	
Quasi legal liquidation	-	
Divided into good company and bad company	-	
Residual of small amount loans after partial write-offs	2.1	
Entrusted to RCC	-	
Total	2.1	

(5) New entry to doubtful or worse categories during 1HFY2002 and disposal thereafter

a. Outstanding amount

	Billions of Yen				
	Sep. 2002	Mar. 2003	Sep. 2003	Mar. 2004	Sep. 2004
Loans in bankrupt/practically bankrupt	2.9	1.8	1.3	0.4	0.4
Doubtful loans	21.3	14.9	11.4	3.8	2.9
Total	24.2	16.7	12.7	4.2	3.3

	Billions of Yen	
	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	0.2	-0.2
Doubtful loans	1.5	-1.4
Total	1.7	-1.6
	(I)	(J)

b. Breakdown by disposal methods

		Billions of Yen
		2HFY2004
Liquidation		-
Reconstruction		-
Financial condition improvement along with reconstruction		-
Outright sales		-
Direct write-offs		0.8
Others		0.8
Collection/repayment		0.8
Financial condition improvement		-
Total		1.6

(J)

c. Quasi final disposal or in the process of final disposal (out of (I))

		Billions of Yen
		2HFY2004
Legal liquidation		0.1
Quasi legal liquidation		-
Divided into good company and bad company		-
Residual of small amount loans after partial write-offs		0.1
Entrusted to RCC		-
Total		0.2

(6) New entry to doubtful or worse categories during 2HFY2002 and disposal thereafter

a. Outstanding amount

	Billions of Yen					Change from Sep. 2004
	Mar. 2003	Sep. 2003	Mar. 2004	Sep. 2004	Mar. 2005	
Loans in bankrupt/practically bankrupt	1.8	1.2	1.1	0.5	0.2	-0.3
Doubtful loans	44.3	9.0	2.1	1.0	0.5	-0.5
Total	46.1	10.2	3.1	1.4	0.7	-0.7

(K)

(L)

b. Breakdown by disposal methods

		Billions of Yen
		2HFY2004
Liquidation		-
Reconstruction		-
Financial condition improvement along with reconstruction		-
Outright sale		0.6
Direct write-off		-0.4
Others		0.6
Collection/repayment		0.5
Financial condition improvement		0.0
Total		0.7

(L)

c. Quasi final disposal or in the process of final disposal (out of (K))

		Billions of Yen
		2HFY2004
Legal liquidation		0.1
Quasi legal liquidation		-
Divided into good company and bad company		-
Residual of small amount loans after partial write-offs		0.1
Entrusted to RCC		-
Total		0.2

(7) New entry to doubtful or worse categories during 1HFY2003

a. Outstanding amount

	Billions of Yen				Change from Sep 2004
	Sep.2003	Mar. 2004	Sep. 2004	Mar. 2005	
Loans in bankrupt/practically bankrupt	0.9	0.5	1.7	0.2	-1.5
Doubtful loans	15.8	12.9	7.1	6.8	-0.4
Total	16.7	13.4	8.8	6.9	-1.9

(M)

(N)

b. Breakdown by disposal methods

	Billions of Yen	
	2HFY2004	
Liquidation	-	
Reconstruction	-	
Financial condition improvement along with reconstruction	-	
Outright sale	-	
Direct write-off	-0.1	
Others	2.0	
Collection/repayment	2.0	
Financial condition improvement	0.0	
Total	1.9	(N)

c. Quasi final disposal or in the process of final disposal (out of (M))

	Billions of Yen
	2HFY2004
Legal liquidation	0.1
Quasi legal liquidation	1.3
Divided into good company and bad company	-
Residual of small amount loans after partial write-offs	0.1
Entrusted to RCC	-
Total	1.5

(8) New entry to doubtful or worse categories during 2HFY2003

a. Outstanding amount

	Billions of Yen			
	Mar. 2004	Sep. 2004	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	2.7	3.9	1.5	-2.4
Doubtful loans	13.0	8.4	0.4	-8.0
Total	15.7	12.3	1.9	-10.4
			(O)	(P)

b. Breakdown by disposal methods

	Billions of Yen	
	2HFY2004	
Liquidation	-	
Reconstruction	1.0	
Financial condition improvement along with reconstruction	0.1	
Outright sale	-	
Direct write-off	5.4	
Others	3.8	
Collection/repayment	3.8	
Financial condition improvement	0.1	
Total	10.4	(P)

c. Quasi final disposal or in the process of final disposal (out of (O))

	Billions of Yen
	2HFY2004
Legal liquidation	0.4
Quasi legal liquidation	0.2
Divided into good company and bad company	-
Residual of small amount loans after partial write-offs	0.2
Entrusted to RCC	-
Total	0.8

(9) New entry to doubtful or worse categories during 1HFY2004

a. Outstanding amount

	Billions of Yen		
	Sep. 2004	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	1.5	0.9	-0.6
Doubtful loans	12.8	2.1	-10.7
Total	14.3	3.0	-11.3
		(Q)	(R)

b. Breakdown by disposal methods

	Billions of Yen	
	2HFY2004	
Liquidation	-	
Reconstruction	0.9	
Financial condition improvement along with reconstruction	-	
Outright Sale	7.2	
Direct write-off	0.4	
Others	2.8	
Collection/repayment	2.5	
Financial condition improvement	0.3	
Total	11.3	(R)

c. Quasi final disposal or in the process of final disposal (out of (Q))

	Billions of Yen	
	2HFY2004	
Legal liquidation	0.6	
Quasi legal liquidation	-	
Divided into good company and bad company	-	
Residual of small amount loans after partial write-offs	0.3	
Entrusted to RCC	-	
Total	0.9	

(10) New entry to doubtful or worse categories during 2HFY2004

a. Outstanding amount

	Billions of Yen	
	Mar. 2005	
Loans in bankrupt/practically bankrupt	4.7	
Doubtful loans	65.0	
Total	69.7	(S)

b. Quasi final disposal or in the process of final disposal (out of (S))

	Billions of Yen	
	2HFY2004	
Legal liquidation	0.2	
Quasi legal liquidation	-	
Divided into good company and bad company	-	
Residual of small amount loans after partial write-offs	0.4	
Entrusted to RCC	-	
Total	0.6	

(11) Historical balance of doubtful or worse loans

	Billions of Yen					
	Sep.2000	Mar. 2001	Sep.2001	Mar. 2002	Sep. 2002	Mar. 2003
Loans in bankrupt/practically bankrupt	112.1	85.4	93.9	47.2	70.1	29.0
Doubtful loans	614.7	412.0	361.8	424.4	273.7	176.7
Total	726.8	497.5	455.7	471.6	343.8	205.7

	Billions of Yen				
	Sep. 2003	Mar. 2004	Sep. 2004	Mar. 2005	Change from Sep. 2004
Loans in bankrupt/practically bankrupt	25.7	18.7	79.2	15.5	-63.7
Doubtful loans	133.6	113.1	47.9	88.1	40.2
Total	159.4	131.8	127.1	103.6	-23.5
				(T)	(U)

$$(T)=(A)+(C)+(E)+(G)+(I)+(K)+(M)+(O)+(Q)+(S)$$

$$(U)=(B)+(D)+(F)+(H)+(J)+(L)+(N)+(P)+(R)+(S)$$

11. Loans by industry

After partial direct write-offs

(1) Loans by industry (Non-consolidated)

	Millions of Yen						
	Mar. 2005				Mar. 2004		
	Banking a/c	Trust a/c (*)	Banking + trust a/c	Change from Mar. 2004	Banking a/c	Trust a/c (*)	Banking + trust a/c
Domestic Branches	8,577,159	912,294	9,489,454	-175,212	8,532,058	1,132,607	9,664,666
(excluding offshore)							
Manufacturing	1,191,109	37,288	1,228,397	-42,154	1,214,627	55,924	1,270,551
Agriculture	2,731	-	2,731	988	1,743	-	1,743
Forestry	255	-	255	34	221	-	221
Fishing	2,300	-	2,300	-	2,300	-	2,300
Mining	4,641	205	4,847	856	3,699	292	3,991
Construction	150,797	26,038	176,836	-5,976	138,220	44,592	182,812
Energy and utilities	116,995	77,064	194,059	-13,344	103,823	103,581	207,403
Communication	178,060	13,589	191,649	-24,764	201,804	14,609	216,413
Transportation	545,789	157,080	702,870	30,881	476,524	195,466	671,989
Wholesale and retail	764,458	25,639	790,098	-84,116	836,630	37,583	874,214
Finance and insurance	1,789,986	135,981	1,925,967	-517,599	2,225,150	218,415	2,443,566
Real estate	1,165,728	81,357	1,247,086	319,079	788,300	139,707	928,007
Various services	1,228,574	33,563	1,262,138	-56,904	1,265,370	53,672	1,319,042
Others	1,435,730	324,485	1,760,216	217,801	1,273,647	268,767	1,542,415
Overseas branches and offshore	458,666	-	458,666	102,746	355,919	-	355,919
Total	9,035,826	912,294	9,948,120	-72,465	8,887,978	1,132,607	10,020,586

Note: Data for "Finance and insurance" and "Real estate" for Mar. 2005 is reclassified. Pro forma number for FY2003 is -280.3 billion yen for "Finance and insurance" and +280.3 billion yen for "Real estate."

	Millions of Yen						
	Mar. 2005				Mar. 2004		
	Banking a/c	Trust a/c (*)	Banking + trust a/c	Change from Mar. 2004	Banking a/c	Trust a/c (*)	Banking + trust a/c
Domestic Branches	162,707	17,054	179,761	-99,669	239,567	39,864	279,431
(excluding offshore)							
Manufacturing	13,993	295	14,289	-3,232	16,958	563	17,521
Agriculture	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-
Fishing	-	-	-	-	-	-	-
Mining	-	-	-	-	-	-	-
Construction	30,387	1,282	31,670	-27,251	49,055	9,866	58,922
Energy and utilities	-	-	-	-	-	-	-
Communication	122	11	133	105	10	17	28
Transportation	4,390	234	4,625	-1,934	5,597	962	6,560
Wholesale and retail	4,254	1,247	5,502	-24,636	27,557	2,580	30,138
Finance and insurance	1,871	65	1,937	-2,608	4,279	265	4,545
Real estate	60,009	3,110	63,119	-36,095	91,874	7,340	99,214
Various services	36,477	4,601	41,078	-1,385	30,928	11,535	42,463
Others	11,201	6,204	17,406	-2,630	13,304	6,731	20,036
Overseas branches and offshore	3,349	-	3,349	-4,495	7,845	-	7,845
Total	166,056	17,054	183,111	-104,165	247,412	39,864	287,276

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

12. Overseas loan exposures by borrowers' location (Non-consolidated)

	Millions of Yen				
	Mar. 2005			Mar. 2004	Change from Mar. 2004
	Total	Japanese affiliates	Non-Japanese		
North America	198,317	120,650	77,666	167,842	30,474
Europe	102,015	42,944	59,071	93,226	8,789
Asia	138,406	122,753	15,653	105,837	32,569

13. Reserves for possible loan losses**(1) Banking a/c (Consolidated)**

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Reserves for possible loan losses	80,806	90,701	111,785	-9,894	-30,978
General reserves	44,075	58,659	73,425	-14,584	-29,350
Specific loan loss reserves	36,282	31,559	37,877	4,723	-1,594
Reserves for loans to borrowers in specific foreign countries	448	482	481	-33	-33

(2) Banking a/c (Non-consolidated)

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Reserves for possible loan losses	77,076	87,990	109,091	-10,914	-32,014
General reserves	43,390	57,799	72,555	-14,408	-29,164
Specific loan loss reserves	33,237	29,709	36,054	3,528	-2,816
Reserves for loans to borrowers in specific foreign countries	448	482	481	-33	-33

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

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Reserves for loan trust	5,781	6,840	8,275	-1,058	-2,494
Reserves for jointly-operated money trust	552	563	585	-11	-33
Total	6,333	7,403	8,861	-1,070	-2,528

14. Balance of major accounts (Banking a/c) (Non-consolidated)

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Deposits (Ending balance)	9,095,353	9,017,107	8,758,651	78,245	336,702
(Average balance)	8,741,703	8,631,295	8,451,858	110,408	289,845
Loans (Ending balance)	9,035,826	8,752,611	8,887,978	283,214	147,847
(Average balance)	8,694,287	8,556,067	8,669,062	138,219	25,224

<Ending balance of domestic deposits classified by depositors>

	Millions of Yen				
	Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Individuals	6,222,761	6,085,181	5,856,054	137,580	366,706
Corporates and other organizations	1,919,001	2,092,818	2,189,007	-173,816	-270,005
Total	8,141,763	8,177,999	8,045,061	-36,236	96,701

Excluding NCDs and offshore accounts

15. Balance of major accounts (Principal guaranteed trust a/c) (Non-consolidated)

			Millions of Yen				
			Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Principal	Jointly operated money trust	Ending balance	1,001,548	970,351	966,350	31,197	35,197
		Average balance	995,789	993,286	965,787	2,502	30,001
	Loan trust	Ending balance	1,086,639	1,170,881	1,434,515	-84,241	-347,876
		Average balance	1,206,779	1,291,303	1,746,514	-84,524	-539,735
	Total	Ending balance	2,088,188	2,141,232	2,400,866	-53,044	-312,678
		Average balance	2,202,568	2,284,590	2,712,302	-82,021	-509,733
Loans	Jointly operated money trust	Ending balance	182,401	186,864	194,423	-4,463	-12,022
		Average balance	188,428	190,128	236,367	-1,699	-47,939
	Loan trust	Ending balance	553,524	661,428	835,117	-107,903	-281,593
		Average balance	691,304	756,348	1,107,994	-65,043	-416,690
	Total	Ending balance	735,925	848,292	1,029,541	-112,367	-293,615
		Average balance	879,733	946,476	1,344,362	-66,743	-464,629

<Ending principal balance classified by customers>

		Millions of Yen				
		Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Individuals		1,477,625	1,635,067	1,862,507	-157,441	-384,881
Corporates and other organizations		610,562	506,165	538,332	104,397	72,229
Others		-	-	26	-	-26
Total		2,088,188	2,141,232	2,400,866	-53,044	-312,678

16. Loans and consumer loans to small and mid-sized corporations

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

		Percentage points, Millions of Yen				
		Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Percentage to total loan balance		45.2	42.4	45.5	2.8	-0.3
Loan balance		4,286,054	3,966,105	4,403,037	319,949	-116,983

17. Consumer loans

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

		Millions of Yen				
		Mar. 2005	Sep. 2004	Mar. 2004	Change from Sep. 2004	Change from Mar. 2004
Residential mortgage loans		1,028,237	911,700	886,333	116,537	141,904
Other consumer loans		485,133	447,919	408,133	37,213	76,999
Total		1,513,371	1,359,619	1,294,466	153,751	218,904