

Additional explanatory material

*Fiscal Year 2006
ended on Mar. 31, 2007*

The Sumitomo Trust and Banking Co., Ltd.

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1. Summary of income/expenses in domestic/international business (Non-consolidated)

<Banking a/c>

	Millions of Yen					
	FY2006			FY2005		
	Domestic business	International business	Total	Domestic business	International business	Total
Trust fee income	73,226	-	73,226	68,900	-	68,900
Net interest income	130,217	15,517	145,735	126,438	16,516	142,955
			3,303			1,678
Interest income	187,458	149,039	333,194	157,336	109,595	265,252
			3,303			1,678
Interest expenses	57,240	133,521	187,459	30,897	93,078	122,297
Net fees and commissions	58,351	-602	57,748	62,042	-737	61,305
Fees and commissions received	94,631	2,617	97,249	95,540	3,043	98,583
Fees and commissions paid	36,280	3,220	39,500	33,497	3,780	37,278
Net gains on trading	6,882	1,262	8,144	5,965	-460	5,504
Trading revenue	6,803	1,507	8,311	6,507	-189	6,317
Trading expenses	-78	245	166	542	270	812
Net other operating income	3,260	8,300	11,560	-508	7,306	6,798
Other operating income	3,412	24,540	27,953	14,371	26,174	40,545
Other operating expenses	152	16,240	16,392	14,879	18,868	33,747

Note: Figures in the upper rows in Interest income and Interest expenses show interests that accrue from transaction between domestic business and international business.

2. Summary of interest-earning assets/interest-bearing liabilities in domestic/international business (Non-consolidated)
<Banking a/c>

Domestic business

	Millions of Yen, percentage points					
	FY2006			FY2005		
	Average balance	Interest	Yield	Average balance	Interest	Yield
Interest-earning assets	15,074,105	187,458	1.24%	13,328,224	157,336	1.18%
Loans	9,730,075	122,573	1.25%	8,927,097	98,686	1.10%
Investment securities	3,454,255	38,601	1.11%	3,164,454	38,037	1.20%
Call loans and bills bought	243,890	613	0.25%	35,791	0	0.00%
Due from banks	2,112	2	0.13%	114	0	0.01%
Interest-bearing liabilities	14,968,364	57,240	0.38%	13,193,907	30,897	0.23%
Deposits	9,546,048	30,963	0.32%	8,478,884	17,562	0.20%
Negotiable certificates of deposit	2,156,267	6,678	0.30%	1,844,268	647	0.03%
Call money and bills sold	360,004	716	0.19%	472,961	32	0.00%
Commercial paper	-	-	-	-	-	-
Borrowed money	377,283	4,020	1.06%	152,147	2,866	1.88%

International business

	Millions of Yen, percentage points					
	FY2006			FY2005		
	Average balance	Interest	Yield	Average balance	Interest	Yield
Interest-earning assets	3,779,373	149,039	3.94%	3,371,362	109,595	3.25%
Loans	1,108,443	53,666	4.84%	856,385	34,068	3.97%
Investment securities	2,209,389	89,934	4.07%	2,243,764	79,338	3.53%
Call loans and bills bought	86,238	4,510	5.22%	54,704	2,076	3.79%
Due from banks	353,940	15,538	4.39%	194,148	6,900	3.55%
Interest-bearing liabilities	3,819,113	133,521	3.49%	3,389,193	93,078	2.74%
Deposits	1,271,289	59,601	4.68%	1,060,386	38,133	3.59%
Negotiable certificates of deposit	237,156	12,626	5.32%	43,524	1,789	4.11%
Call money and bills sold	13,487	682	5.06%	12,558	435	3.47%
Commercial paper	-	-	-	-	-	-
Borrowed money	369,364	11,165	3.02%	292,966	5,919	2.02%

3. Maturity ladder of securities (Non-consolidated)

<Banking a/c>

		Millions of Yen								
		Less than 1 year	1 year to 3 years	3 years to 5 years	5 years to 7 years	7 years to 10 years	Over 10 years	No maturity	Total	
Japanese government bonds	Mar. 2006	239,842	241,861	246,199	241,375	266,742	149,923	-	1,385,944	
	Mar. 2007	196,587	267,470	195,535	157,940	252,742	53,060	-	1,123,336	
Japanese local government bonds	Mar. 2006	4,508	20,822	16,781	5,989	32,060	-	-	80,163	
	Mar. 2007	5,109	13,041	10,687	4,152	28,892	-	-	61,884	
Japanese corporate bonds	Mar. 2006	324,927	364,697	203,202	64,416	19,933	2,292	-	979,470	
	Mar. 2007	142,620	343,394	170,295	68,279	23,411	2,009	-	750,010	
Japanese stocks	Mar. 2006	-----	-----	-----	-----	-----	-----	1,239,508	1,239,508	
	Mar. 2007	-----	-----	-----	-----	-----	-----	1,332,696	1,332,696	
Foreign securities and others	Mar. 2006	96,731	310,059	456,960	246,661	501,079	362,534	278,945	2,252,971	
	Mar. 2007	252,216	310,305	368,986	246,284	373,963	433,749	251,034	2,236,540	
Foreign bonds	Mar. 2006	34,498	204,412	431,977	241,118	472,003	362,229	-	1,746,238	
	Mar. 2007	154,897	112,183	272,983	219,408	333,501	378,622	-	1,471,598	
Foreign stocks	Mar. 2006	-----	-----	-----	-----	-----	-----	32,092	32,092	
	Mar. 2007	-----	-----	-----	-----	-----	-----	35,451	35,451	

Note: The amounts in the table above are B/S value.

4. Maturity ladder of swaps (Non-consolidated)

		Millions of Yen							
		Less than 1 year	1 year to 3 years	3 years to 5 years	5 years to 7 years	7 years to 10 years	Over 10 years	Total	
Market value applied	Mar. 2006	8,539,028	19,476,078	17,822,609	7,909,016	8,269,683	658,718	62,675,135	
	Mar. 2007	11,227,768	28,350,846	26,456,213	13,360,818	12,417,672	1,860,909	93,674,229	
Fix Rcv-FI Pay	Mar. 2006	3,724,065	9,373,322	8,745,660	3,896,346	4,065,190	361,284	30,165,870	
	Mar. 2007	5,272,964	13,538,497	12,850,117	6,779,878	6,339,380	972,861	45,753,700	
FI Rcv-Fix Pay	Mar. 2006	4,192,862	9,463,301	8,558,175	3,881,670	4,048,342	292,433	30,436,786	
	Mar. 2007	5,757,363	13,657,567	13,151,061	6,347,790	5,963,532	873,047	45,750,363	
FI Rcv-FI Pay	Mar. 2006	622,100	639,455	518,773	131,000	156,150	5,000	2,072,478	
	Mar. 2007	197,440	1,154,781	455,034	233,150	114,760	15,000	2,170,165	
Hedge accounting applied	Mar. 2006	394,083	1,867,203	1,488,650	386,571	658,473	33,000	4,827,981	
	Mar. 2007	986,054	1,865,062	1,614,935	474,393	673,481	170,912	5,784,839	
Fix Rcv-FI Pay	Mar. 2006	349,754	1,583,654	1,286,467	287,989	562,087	-	4,069,955	
	Mar. 2007	859,862	1,447,115	1,359,343	343,461	394,504	71,492	4,475,777	
FI Rcv-Fix Pay	Mar. 2006	42,328	283,548	202,182	98,581	96,385	33,000	756,026	
	Mar. 2007	126,191	417,947	255,592	130,932	278,977	99,420	1,309,062	
FI Rcv-FI Pay	Mar. 2006	2,000	-	-	-	-	-	2,000	
	Mar. 2007	-	-	-	-	-	-	-	

5. Balance of principal guaranteed trust a/c (Non-consolidated)

<Jointly operated money trust>

	Millions of Yen			
	Mar. 2007	Sep. 2006	Mar. 2006	Change from Sep. 2006 to Mar. 2007
Total assets	905,462	921,502	1,218,173	-16,039
Loans	428,943	410,104	167,347	18,838
Securities	14,673	29,217	43,787	-14,544
Others	461,846	482,181	1,007,038	-20,334
Total liabilities	905,462	921,502	1,218,173	-16,039
Principal	903,689	919,227	1,216,743	-15,537
Reserve for possible impairment of principal	1,235	852	504	382
Others	537	1,422	925	-885

<Loan trust>

	Millions of Yen			
	Mar. 2007	Sep. 2006	Mar. 2006	Change from Sep. 2006 to Mar. 2007
Total assets	700,772	837,280	937,096	-136,508
Loans	-	-	384,405	-
Securities	-	-	9,609	-
Others	700,772	837,280	543,082	-136,508
Total liabilities	700,772	837,280	937,096	-136,508
Principal	694,587	829,453	927,283	-134,865
Reserve for possible impairment of principal	4,136	4,630	5,011	-494
Others	2,047	3,196	4,801	-1,148

6. Migration analysis of loans in special mention or worse categories (Non-consolidated)

<Banking a/c and trust a/c combined>

(1HFY2006)

	Billions of Yen							
	Mar. 2006	Sep. 2006	Change	Change				Write-off, sales, or collection
				Downgrade (+)	Downgrade(-)	Upgrade (+)	Upgrade (-)	
Bankrupt / practically bankrupt	7.3	6.0	-1.3	1.1	-	-	-1.0	-1.5
Doubtful	19.3	23.4	4.1	9.6	-0.4	0.2	-1.8	-3.5
Loans to substandard debtors	117.0	98.3	-18.8	1.6	-1.1	2.1	-12.9	-8.5
Loans to special mention debtors (excluding loans to substandard debtors)	418.6	312.8	-105.8	25.6	-8.0	4.4	-96.9	-30.9

(2HFY2006)

	Billions of Yen							
	Sep. 2006	Mar. 2007	Change	Change				Write-off, sales, or collection
				Downgrade (+)	Downgrade(-)	Upgrade (+)	Upgrade (-)	
Bankrupt / practically bankrupt	6.0	6.5	0.5	2.0	-	-	-0.2	-1.2
Doubtful	23.4	58.5	35.0	44.0	-0.4	0.0	-0.3	-8.3
Loans to substandard debtors	98.3	82.7	-15.5	0.1	-	0.0	-0.0	-15.6
Loans to special mention debtors (excluding loans to substandard debtors)	312.8	703.7	390.9	467.1	-39.4	0.3	-9.2	-27.9

7. Assets classified under the Financial reconstruction law by industry (Non-consolidated)

	Millions of Yen						
	Mar. 2007				Mar. 2006		
	Banking a/c	Trust a/c (*)	Banking + trust a/c		Banking a/c	Trust a/c (*)	Banking + trust a/c
			Change from Mar. 2006				
Domestic Branches (excluding offshore)	97,664	19,517	117,182	10,425	74,857	31,898	106,756
Manufacturing	5,254	-	5,254	-6,105	11,108	251	11,359
Agriculture, forestry, fishing, mining	-	-	-	-	-	-	-
Construction	1,850	-	1,850	-829	1,807	873	2,680
Energy and utilities	-	-	-	-	-	-	-
Communication	100	-	100	99	0	-	0
Transportation	39,005	-	39,005	26,825	12,023	156	12,180
Wholesale and retail	21,033	-	21,033	-1,466	21,282	1,217	22,500
Finance and insurance	-	-	-	-	-	-	-
Real estate	13,396	3,692	17,089	1,644	8,112	7,331	15,444
Various services	6,163	-	6,163	-9,334	11,500	3,997	15,498
Others	10,860	15,824	26,685	-407	9,022	18,069	27,092
Overseas branches and offshore	368	-	368	-2,249	2,617	-	2,617
Total	98,032	19,517	117,550	8,176	77,474	31,898	109,373

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

8. Risk-weighted assets for credit risk (Consolidated)

	Billions of Yen		
	Mar. 2007		
	Exposure	Risk-weighted asset	Expected Loss
Internal Ratings-Based	18,313.6	12,084.8	159.1
Corporate, etc.	14,479.0	8,051.7	141.5
Corporate	10,222.3	7,459.0	140.1
Sovereign	2,683.0	295.2	0.8
Financial institution	1,573.6	297.4	0.4
Equity	1,077.2	1,331.2	0.6
Fund	503.8	1,405.9	8.3
Securitization	810.8	293.4	-
Purchased receivables	961.5	861.5	8.5
Other assets	481.0	140.8	-
Standardised Approach	3,981.7	2,571.4	-
(Phased rollout to Internal Ratings-Based)			
Securitization	930.5	308.9	-
Retail	1,752.5	1,044.5	-
Subsidiaries	1,298.6	1,217.9	-
Exemption	1,167.4	444.3	-
Total Credit Risk	23,462.7	15,100.6	159.1

Note: Risk-weighted asset is after scaling factor adjustments.