Additional explanatory material

Fiscal Year 2007
ended on Mar. 31, 2008

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					
	FY2007			FY2006		
	Domestic business	**International business**	**Total**	Domestic business	International business	Total
Trust fee income	**74,641**	**-**	**74,641**	73,226	-	73,226
Net interest income	**122,005**	**23,500**	**145,505**	130,217	15,517	145,735
Interest income			**7,027**			3,303
	207,395	**187,184**	**387,552**	187,458	149,039	333,194
Interest expenses			**7,027**			3,303
	85,389	**163,684**	**242,046**	57,240	133,521	187,459
Net fees and commissions	**53,843**	**-113**	**53,730**	58,351	-602	57,748
Fees and commissions received	**89,369**	**3,566**	**92,936**	94,631	2,617	97,249
Fees and commissions paid	**35,526**	**3,679**	**39,206**	36,280	3,220	39,500
Net gains on trading	**9,546**	**3,856**	**13,403**	6,882	1,262	8,144
Trading revenue	**9,861**	**6,427**	**16,288**	6,803	1,507	8,311
Trading expenses	**314**	**2,570**	**2,885**	-78	245	166
Net other operating income	**-3,157**	**21,684**	**18,526**	3,260	8,300	11,560
Other operating income	**17,310**	**52,425**	**69,736**	3,412	24,540	27,953
Other operating expenses	**20,467**	**30,741**	**51,209**	152	16,240	16,392

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					
	FY2007			FY2006		
	Average balance	**Interest**	**Yield**	Average balance	Interest	Yield
Interest-earning assets	**14,710,045**	**207,395**	**1.40%**	15,074,105	187,458	1.24%
Loans	**9,661,912**	**150,202**	**1.55%**	9,730,075	122,573	1.25%
Investment securities	**2,996,453**	**41,719**	**1.39%**	3,454,255	38,601	1.11%
Call loans and bills bought	**214,489**	**1,299**	**0.60%**	243,890	613	0.25%
Due from banks	**4,638**	**24**	**0.52%**	2,112	2	0.13%
Interest-bearing liabilities	**14,849,908**	**85,389**	**0.57%**	14,968,364	57,240	0.38%
Deposits	**10,042,787**	**51,393**	**0.51%**	9,546,048	30,963	0.32%
Negotiable certificates of deposit	**2,266,900**	**15,679**	**0.69%**	2,156,267	6,678	0.30%
Call money and bills sold	**221,573**	**1,333**	**0.60%**	360,004	716	0.19%
Commercial paper	**-**	**-**	**-**	-	-	-
Borrowed money	**413,530**	**4,916**	**1.18%**	377,283	4,020	1.06%

International business

	Millions of Yen, percentage points					
	FY2007			FY2006		
	Average balance	**Interest**	**Yield**	Average balance	Interest	Yield
Interest-earning assets	**3,904,329**	**187,184**	**4.79%**	3,779,373	149,039	3.94%
Loans	**1,142,034**	**55,599**	**4.86%**	1,108,443	53,666	4.84%
Investment securities	**2,327,958**	**113,772**	**4.88%**	2,209,389	89,934	4.07%
Call loans and bills bought	**41,756**	**1,953**	**4.67%**	86,238	4,510	5.22%
Due from banks	**369,872**	**13,229**	**3.57%**	353,940	15,538	4.39%
Interest-bearing liabilities	**4,078,147**	**163,684**	**4.01%**	3,819,113	133,521	3.49%
Deposits	**1,070,194**	**51,677**	**4.82%**	1,271,289	59,601	4.68%
Negotiable certificates of deposit	**243,435**	**12,995**	**5.33%**	237,156	12,626	5.32%
Call money and bills sold	**47,566**	**2,390**	**5.02%**	13,487	682	5.06%
Commercial paper	**-**	**-**	**-**	-	-	-
Borrowed money	**476,544**	**15,913**	**3.33%**	369,364	11,165	3.02%

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. 2007	196,587	267,470	195,535	157,940	252,742	53,060	-	1,123,336
	Mar. 2008	**172,016**	**147,519**	**146,944**	**112,609**	**191,889**	**317,474**	**-**	**1,088,453**
Japanese local government bonds	Mar. 2007	5,109	13,041	10,687	4,152	28,892	-	-	61,884
	Mar. 2008	**4,812**	**8,570**	**5,294**	**84**	**6,862**	**-**	**-**	**25,623**
Japanese corporate bonds	Mar. 2007	142,620	343,394	170,295	68,279	23,411	2,009	**-**	750,010
	Mar. 2008	**176,810**	**195,033**	**109,867**	**77,494**	**12,562**	**1,411**	**-**	**573,180**
Japanese stocks	Mar. 2007	----------	----------	----------	----------	----------	----------	1,332,696	1,332,696
	Mar. 2008	----------	----------	----------	----------	----------	----------	**1,030,849**	**1,030,849**
Foreign securities and others	Mar. 2007	252,216	310,305	368,986	246,284	373,963	433,749	251,034	2,236,540
	Mar. 2008	**59,481**	**264,432**	**286,262**	**550,472**	**296,142**	**496,443**	**219,793**	**2,173,028**
Foreign bonds	Mar. 2007	159,296	170,997	335,400	245,230	349,942	433,239	-	1,694,107
	Mar. 2008	**51,073**	**231,582**	**272,906**	**549,783**	**290,695**	**493,771**	**-**	**1,889,814**
Foreign stocks	Mar. 2007	----------	----------	----------	----------	----------	----------	35,451	35,451
	Mar. 2008	----------	----------	----------	----------	----------	----------	**38,596**	**38,596**

Note1: The amounts in the table above are B/S value.

Note2: From this disclosure, Yen denomitated foreign bonds are included in Foreign bonds.
As a result, the balance was increased by 222,509 million yen (Mar. 2007) and 165,445 million yen (Mar. 2008).

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. 2007	11,227,768	28,350,846	26,456,213	13,360,818	12,417,672	1,860,909	93,674,229
	Mar. 2008	**19,958,705**	**39,824,590**	**36,491,867**	**15,846,912**	**17,845,754**	**3,286,828**	**133,254,659**
Fix Rcv-Fl Pay	Mar. 2007	5,272,964	13,538,497	12,850,117	6,779,878	6,339,380	972,861	45,753,700
	Mar. 2008	**9,331,379**	**18,964,108**	**18,170,448**	**7,843,870**	**8,742,815**	**1,608,324**	**64,660,946**
Fl Rcv-Fix Pay	Mar. 2007	5,757,363	13,657,567	13,151,061	6,347,790	5,963,532	873,047	45,750,363
	Mar. 2008	**9,975,326**	**19,837,500**	**17,842,880**	**7,791,292**	**8,975,779**	**1,678,504**	**66,101,283**
Fl Rcv-Fl Pay	Mar. 2007	197,440	1,154,781	455,034	233,150	114,760	15,000	2,170,165
	Mar. 2008	**652,000**	**1,022,981**	**478,538**	**211,750**	**127,160**	**-**	**2,492,429**
Hedge accounting applied	Mar. 2007	986,054	1,865,062	1,614,935	474,393	673,481	170,912	5,784,839
	Mar. 2008	**1,037,231**	**1,887,789**	**1,477,111**	**555,644**	**642,974**	**188,284**	**5,789,035**
Fix Rcv-Fl Pay	Mar. 2007	859,862	1,447,115	1,359,343	343,461	394,504	71,492	4,475,777
	Mar. 2008	**824,829**	**1,570,849**	**1,175,339**	**388,529**	**394,401**	**29,984**	**4,383,931**
Fl Rcv-Fix Pay	Mar. 2007	126,191	417,947	255,592	130,932	278,977	99,420	1,309,062
	Mar. 2008	**212,402**	**316,940**	**301,772**	**167,115**	**248,573**	**158,300**	**1,405,103**
Fl Rcv-Fl Pay	Mar. 2007	–	–	–	–	–	–	–
	Mar. 2008	**–**	**–**	**–**	**–**	**–**	**–**	**–**

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

<Jointly operated money trust>

	Millions of Yen			
	Mar. 2008	Sep. 2007	Mar. 2007	Change from Sep. 2007 to Mar. 2008
Total assets	**698,254**	865,112	905,462	-166,858
Loans	**328,913**	415,437	428,943	-86,524
Securities	**9,796**	9,794	14,673	1
Others	**359,544**	439,880	461,846	-80,335
Total liabilities	**698,254**	865,112	905,462	-166,858
Principal	**696,894**	863,500	903,689	-166,605
Reserve for possible impairment of principal	**924**	1,175	1,235	-251
Others	**434**	436	537	-1

<Loan trust>

	Millions of Yen			
	Mar. 2008	Sep. 2007	Mar. 2007	Change from Sep. 2007 to Mar. 2008
Total assets	**288,201**	561,415	700,772	-273,213
Loans	**-**	-	-	-
Securities	**-**	-	-	-
Others	**288,201**	561,415	700,772	-273,213
Total liabilities	**288,201**	561,415	700,772	-273,213
Principal	**284,609**	555,847	694,587	-271,238
Reserve for possible impairment of principal	**1,839**	3,467	4,136	-1,628
Others	**1,752**	2,099	2,047	-347

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

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

(1HFY2007)

	Billions of Yen							
			Change					
	Mar. 2007	**Sep. 2007**	Change	Downgrade (+)	Downgrade(-)	Upgrade (+)	Upgrade (-)	Repayment, etc.
Bankrupt / practically bankrupt	6.5	**5.5**	-1.0	1.1	-	-	-0.2	-1.9
Doubtful	58.5	**59.8**	1.3	9.4	-0.5	0.1	-1.9	-5.7
Loans to substandard debtors	82.7	**35.4**	-47.3	2.0	-0.4	0.8	-48.0	-1.8
Loans to special mention debtors (excluding loans to substandard debtors)	703.7	**748.4**	44.7	134.4	-7.7	18.0	-20.3	-79.6

(2HFY2007)

	Billions of Yen							
			Change					
	Sep. 2007	**Mar. 2008**	Change	Downgrade (+)	Downgrade(-)	Upgrade (+)	Upgrade (-)	Repayment, etc.
Bankrupt / practically bankrupt	5.5	**6.9**	1.4	2.9	-	-	-0.5	-1.1
Doubtful	59.8	**27.3**	-32.5	13.6	-0.4	0.0	-32.0	-13.8
Loans to substandard debtors	35.4	**77.1**	41.7	45.9	-0.0	0.0	-2.7	-1.4
Loans to special mention debtors (excluding loans to substandard debtors)	748.4	**747.2**	-1.2	132.0	-59.2	33.6	-18.0	-89.6

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

	Billions of Yen								
	Mar. 2008			Sep. 2007			Mar. 2007		
	Exposure	**Risk-weighted asset**	**Expected Loss**	Exposure	Risk-weighted asset	Expected Loss	Exposure	Risk-weighted asset	Expected Loss
Internal Ratings-Based	**20,255.1**	**12,006.5**	**150.5**	19,057.4	11,617.5	169.7	18,313.6	12,084.8	159.1
Corporate, etc.	**14,525.0**	**7,992.2**	**131.4**	15,409.9	8,002.0	154.9	14,479.0	8,051.7	141.5
Corporate	**10,215.4**	**7,383.1**	**130.4**	10,081.8	7,303.6	153.6	10,222.3	7,459.0	140.1
Sovereign	**2,650.5**	**274.0**	**0.4**	3,668.4	380.3	0.7	2,683.0	295.2	0.8
Financial institution	**1,659.1**	**335.0**	**0.5**	1,659.7	317.9	0.4	1,573.6	297.4	0.4
Retail	**1,806.1**	**620.3**	**10.7**	-	-	-	-	-	-
Residential mortgage exposure	**1,559.4**	**504.1**	**7.0**	-	-	-	-	-	-
Qualifying revolving retail exposure	**11.1**	**6.0**	**0.1**	-	-	-	-	-	-
Other retail exposure	**235.6**	**110.1**	**3.4**	-	-	-	-	-	-
Equity	**823.3**	**1,096.3**	**0.2**	992.3	1,241.8	0.2	1,077.2	1,331.2	0.6
Fund	**271.6**	**853.7**	**4.3**	422.2	1,174.9	6.0	503.8	1,405.9	8.3
Securitization	**1,462.2**	**386.5**	**-**	770.0	269.7	-	810.8	293.4	-
Purchased receivables	**984.1**	**834.4**	**3.7**	1,021.4	778.7	8.5	961.5	861.5	8.5
Other assets	**382.4**	**222.8**	**-**	441.3	150.2	-	481.0	140.8	-
Standardized Approach (Phased rollout to Internal Ratings-Based)	**1,490.4**	**1,397.7**	**-**	4,195.9	2,767.6	-	3,981.7	2,571.4	-
Securitization	**-**	**-**	**-**	908.4	307.0	-	930.5	308.9	-
Retail	**-**	**-**	**-**	1,765.5	1,035.5	-	1,752.5	1,044.5	-
Subsidiaries	**1,490.4**	**1,397.7**	**-**	1,522.0	1,425.0	-	1,298.6	1,217.9	-
Exemption	**903.9**	**341.0**	**-**	882.4	334.0	-	1,167.4	444.3	-
Total credit risk	**22,649.4**	**13,745.3**	**150.5**	24,135.9	14,719.2	169.7	23,462.7	15,100.6	159.1

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

8. BIS capital adequacy ratio (Former standard)

(Consolidated)

	Millions of Yen				
	Mar. 2008	Sep. 2007	Mar. 2007	Change from Sep. 2007	Change from Mar. 2007
Total capital	**1,882,700**	2,013,518	1,966,663	-130,817	-83,963
Tier I	**1,088,227**	1,056,701	1,047,267	31,525	40,959
Minority interest	**209,362**	210,397	210,641	-1,035	-1,278
Noncumulative preferred securities issued by overseas special purpose companies	**183,000**	183,000	183,000	-	-
Less: Goodwill equivalents	**115,508**	119,777	104,877	-4,268	10,631
Tier II	**855,935**	1,013,832	977,245	-157,896	-121,310
Upper Tier II	**461,270**	598,676	607,155	-137,405	-145,884
45% of unrealized gain on available-for-sale securities	**52,695**	166,673	223,694	-113,978	-170,999
45% of revaluation reserve for land	**771**	875	875	-103	-103
General allowance for loan losses	**93,609**	99,927	77,570	-6,318	16,038
Perpetual subordinated debt	**314,195**	331,200	305,015	-17,005	9,180
Lower Tier II	**394,664**	415,155	370,090	-20,491	24,574
Subordinated term debt and fixed-term preferred stock	**394,664**	415,155	370,090	-20,491	24,574
Less: Deduction (double gearing)	**61,462**	57,016	57,850	4,446	3,611
Total risk-weighted assets	**15,868,682**	15,905,928	16,182,142	-37,246	-313,460
Amount of credit risk-weighted assets	**15,706,418**	15,770,510	16,023,185	-64,091	-316,766
Amount of market risk equivalents	**162,263**	135,417	158,957	26,845	3,306
BIS capital adequacy ratio	**11.86%**	12.65%	12.15%	-0.79%	-0.29%
(Tier I capital ratio)	**6.85%**	6.64%	6.47%	0.21%	0.38%

Note : Non-consolidated BIS capital adequacy ratio and Tier I capital ratio are 12.50% and 7.36%, respectively.