

*Explanatory Material*

*Fiscal Year 2008  
ended on Mar.31, 2009*

*The Sumitomo Trust and Banking Co., Ltd.*

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#### Legal Disclaimer

##### Regarding forward-looking Statements contained in this material

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including but not limited to changes in managerial circumstances. By virtue of the aforementioned reasons, The Sumitomo Trust & Banking Co., Ltd. (referred to hereinafter as "Sumitomo Trust") hereby cautions against sole reliance on such forward-looking statements in making investment decisions.

## Outline of the financial results

### Financial results

#### <Consolidated>

- (1) Consolidated net business profit before credit costs increased by 24.2 billion yen from the previous fiscal year to 241.1 billion yen mainly due to the increase in non-consolidated net business profit before credit costs.
- (2) Consolidated ordinary profit decreased by 107.3 billion yen from the previous fiscal year to 29.6 billion yen and consolidated net income decreased by 74.3 billion yen to 7.9 billion yen mainly due to the decrease on a non-consolidated basis as well as total substantial credit costs posted by group companies.
- (3) Total substantial credit costs of group companies (48.7 billion yen) were mainly due to the additional reserves based on the across the board revaluation of collateral in mortgage loans.

#### <Non-consolidated>

- (1) Non-consolidated net business profit before credit costs increased by 27.1 billion yen from the previous fiscal year to 201.0 billion yen due to the significant increase in market-related profit including net gains on bonds, though net fees and commissions decreased due to the decline in mutual fund sales and real estate brokerage volume.
- (2) Non-consolidated ordinary profit decreased by 65.9 billion yen from the previous fiscal year to 37.9 billion yen due to the increase in total substantial credit costs and impairment losses caused by the decline in stock prices (impairment losses on domestic stocks: 36.5 billion yen). Non-consolidated net income decreased by 30.9 billion yen from the previous fiscal year to 38.9 billion yen after realizing gains on securities contributed to employee retirement benefit trust by 21.5 billion yen.
- (3) Non-consolidated total credit costs increased by 44.7 billion yen from the previous fiscal year to 54.9 billion yen due to the conservative reclassification of some borrowers owing to the trend of worsening domestic corporate performance. Non-consolidated total substantial credit costs amounted to 121.3 billion yen which include the same level of impairment losses on overseas asset-backed-securities as the previous fiscal year.

#### <Earnings forecast for FY2009>

- (1) Net business profit before credit costs on a consolidated and non-consolidated basis is forecasted at 175.0 billion yen and 145.0 billion yen respectively, mainly due to the significant decrease in market-related profit from the previous fiscal year.
- (2) Net income is forecasted on a consolidated and non-consolidated basis, at 45.0 billion yen and 40.0 billion yen respectively, assuming the decrease in impairment losses on overseas asset-backed-securities and total credit costs of group companies.

#### <Dividend forecast>

- (1) As announced in January 2009, dividend per share for full FY2008 is planned to be 10 yen (year end dividend: 1.50 yen) by reducing 7 yen from the previous fiscal year. Considering the significant decline in our corporate performance for FY2008, we plan to cut board members' bonus for FY2008 to zero.
- (2) Dividend per share for full FY2009 is forecasted to be 10 yen, as the same level as the full FY2008, in light of the dividend policy of targeting 30% consolidated payout ratio.

#### <Midterm financial target, earnings plan>

- (1) We have renewed the midterm plan formulated in the previous fiscal year and established the new 3-year midterm plan starting from FY2009 (please refer to page 17 for the further details).
- (2) Financial target at FY2011 is consolidated BIS capital adequacy ratio of 12% and above, consolidated Tier I capital ratio of 8% and above, and return on shareholders' equity of 7% to 9%. As for the consolidated net business profit before credit costs and net income for FY2011, we target 200.0 to 220.0 billion yen and 80.0 to 100.0 billion yen, respectively.

#### <Outline of the financial results>

(in billions of Yen)

	FY2008	FY2007	Change
<b>(Consolidated)</b>			
Net business profit before credit costs	241.1	216.8	24.2
Ordinary profit	29.6	136.9	-107.3
Net income	7.9	82.3	-74.3
<b>(Non-consolidated)</b>			
Net business profit before credit costs	201.0	173.8	27.1
Total credit costs	-54.9	-10.1	-44.7
Ordinary profit	37.9	103.9	-65.9
Net income	38.9	69.9	-30.9
<b>(Total substantial credit costs)</b>			
Consolidated	-170.0	-83.5	-86.5
Non-consolidated	-121.3	-75.5	-45.7
Domestic	-48.1	3.7	-51.9
International	-73.1	-79.3	6.2
Group companies	-48.7	-7.9	-40.8

(\*) "Total substantial credit costs" is a sum of "Total credit costs", costs in "Net gains on sales of stocks and other securities" and "Other non-recurring profit" which are related to investment in securities of domestic and overseas credit, and affiliates' total credit costs included in "Net income from affiliates by equity method".

#### <Earnings forecast for FY2009>

(in billions of Yen)

	Consolidated	Non-consolidated
Net business profit before credit costs	175.0	145.0
Total substantial credit costs	-80.0	-70.0
Ordinary profit	85.0	65.0
Net income	45.0	40.0

#### <Dividend forecast>

	FY2008	Change fm FY2007	FY2009 forecast
Dividend per common stock (Yen)	10.0	-7.0	10.0
Consolidated dividend payout ratio (%)	210.7%	176.1%	37.2%

#### <Midterm financial target, earnings plan>

(Consolidated)

	FY2011 forecast
BIS capital adequacy ratio	12% and above
Tier I ratio	8% and above
Return on shareholders' equity (Return on equity)	7 - 9% (8 - 10%)
Net business profit before credit costs	200.0 - 220.0 bn yen
Net income	80.0 - 100.0 bn yen

## Assets and liabilities

### <Balance of major accounts>

(Non-consolidated)

- (1) The average balance of non-consolidated loan portfolio during FY2008 increased by 280.3 billion yen from the previous fiscal year to 11.4 trillion yen mainly due to the increase in domestic corporate loans. The average balance of deposits including principal guaranteed trust account increased by 171.1 billion yen from the previous fiscal year to 12.5 trillion yen due to the increase in time deposits of retail customers, though principal guaranteed trust account decreased.
- (2) The average yield, both on loans and deposits, rose mainly due to the increased market rates to reach 1.58% and 0.58%, respectively. The loan-deposit margin for domestic banking a/c and principal guaranteed trust a/c combined declined by 0.06% from the previous fiscal year to 1.00%, because the increase in yield on deposits exceeded the increase in yield on loans.

### <Assets classified under the Financial Reconstruction Law>

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

- (1) The total balance of assets classified under the Financial Reconstruction Law increased by 9.4 billion yen from the end of the previous fiscal year to 116.4 billion yen and the ratio of assets classified under the Financial Reconstruction Law to the total loan balance stayed at 0.9%. Loans in bankrupt and practically bankrupt and doubtful loans increased, while substandard loans decreased.
- (2) Loans to special mention debtors increased by 94.0 billion yen from the end of the previous fiscal year to 845.3 billion yen, as the gross increase due to the worsening business conditions exceeded the gross decrease due to repayment from special mention debtors.

### <Status of the securities with fair value>

(Consolidated)

- (1) Book value of held-to-maturity debt securities increased by 80.5 billion yen from the end of the previous fiscal year to 657.2 billion yen mainly due to the reclassification of some overseas asset-backed-securities (300.9 billion yen) from "Available-for-sale securities" category to "Held-to-maturity debt securities" category.
- (2) Net unrealized gains/losses of "Available-for-sale securities" decreased by 179.8 billion yen from the end of the previous fiscal year to the net losses of 69.0 billion yen, as the net gains/losses of Japanese stocks decreased by 215.6 billion yen from the end of the previous fiscal year due to the decline in stock prices while the net gains/losses of Japanese bonds increased and some overseas asset-backed-securities were reclassified into "Held-to-maturity debt securities" category (balance of unrealized gains/losses at the time of reclassification as of the end of March 2009: -95.5 billion yen).

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

- (1) Consolidated BIS capital adequacy ratio and consolidated Tier I capital ratio increased by 0.25% and 0.30% from the end of the previous fiscal year to 12.09% and 7.63%, respectively.
- (2) Despite the decrease in total qualifying capital by 49.4 billion yen caused by posting unrealized losses of securities, the decrease in total risk-weighted assets by 714.5 billion yen mainly due to the decrease in securities including stocks, resulted in the above.

### <Balance of major accounts>

(Non-consolidated)

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

(in billions of Yen)			
	Mar. 2009	Mar. 2008	Change
Loans	11,492.6	11,212.2	280.3
Deposits	12,566.1	12,395.0	171.1

Note: All branches

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

	FY2008			FY2007	Change (A) - (B)
	(A)	2H	1H	(B)	
Loan-deposit margin	1.00	1.00	1.02	1.06	-0.06
Loans and bills discounted	1.58	1.58	1.59	1.54	0.04
Deposits	0.58	0.58	0.57	0.48	0.10

### <Assets classified under the Financial Reconstruction Law>

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

(in billions of Yen)			
	Mar. 2009	Change fm Sep. 2008	Change fm Mar. 2008
Loans in bankrupt and practically bankrupt	28.0	8.3	21.1
Doubtful loans	73.7	45.5	46.5
Substandard loans	14.7	-7.4	-58.2
Assets classified under the Financial Reconstruction Law	116.4	46.4	9.4
Ratio to total loan balance	0.9%	0.3%	0.0%
Special mention (exc. substandard)	845.3	60.0	94.0

### <Status of the securities with fair value>

(Consolidated)

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

(in billions of Yen)					
	Mar. 2009 Book value	Fair value	Net	Change of book value	Change of net
Japanese government bonds	331.7	338.8	7.1	-107.6	-0.7
Japanese corporate bonds	24.3	24.4	0.1	-112.6	0.1
Others	301.1	298.2	-2.8	300.8	-2.9
Foreign bonds	301.1	298.2	-2.8	300.8	-2.9
Total	657.2	661.6	4.4	80.5	-3.5

(Available-for-sale securities with fair value)

(in billions of Yen)					
	Mar. 2009 Cost	Book value (Fair value)	Net	Change of cost	Change of net
Japanese stocks	432.6	408.2	-24.4	-46.0	-215.6
Japanese bonds	1,540.8	1,561.1	20.3	711.2	20.8
Government bonds	1,416.5	1,437.2	20.7	768.0	19.7
Others	2,126.3	2,061.4	-64.9	-477.3	14.8
Foreign bonds	1,634.1	1,588.8	-45.3	-345.4	23.6
Total	4,099.8	4,030.8	-69.0	187.8	-179.8

### <Status of BIS capital adequacy ratio>

(Consolidated)

(in billions of Yen)			
	Mar. 2009	Change fm Sep. 2008	Change fm Mar. 2008
BIS capital adequacy ratio	12.09%	0.67%	0.25%
Tier I capital ratio	7.63%	0.07%	0.30%
Total qualifying capital	1,682.8	-1.3	-49.4
Tier I	1,061.8	-52.4	-11.5
Tier II	683.6	14.3	-77.3
Less: Deduction (double gearing)	62.5	-36.7	-39.4
Total risk-weighted assets	13,911.4	-826.8	-714.5

**Status of the international credit investment**

(Non-consolidated)

## &lt;Status of securities with fair value (before reclassification)&gt;

- (1) Cost of securities with fair value in total decreased by 244.9 billion yen from the end of the previous fiscal year to 774.7 billion yen due to impairment, redemption (84.4 billion yen) and yen appreciation.
- (2) Valuation difference of securities with fair value in total decreased by 72.6 billion yen from the end of the previous fiscal year to -138.2 billion yen after the impairment losses of securities (mainly asset-backed securities) were posted (-60.3 billion yen for FY2008) due to the worsening conditions of global credit market since October 2008.

## &lt;Reclassification of debt securities&gt;

- (1) The asset-backed securities which have high credit ratings and are individually judged to be redeemed at maturity with certainty (396.4 billion yen) were reclassified from "Available-for-sale securities" category to "Held-to-maturity debt securities" category based on our decision to hold them until maturity.
- (2) Cost after reclassification of the reclassified securities was calculated based on market prices that could be acquired at the time of reclassification and unrealized gains/losses before reclassification were posted in net assets after considering tax effects. Cost is 300.9 billion yen and unrealized gains/losses at the time of reclassification (before considering deferred tax) are -95.5 billion yen as of the end of March 2009.
- (3) Net after reclassification of the asset-backed securities reclassified into "Held-to-maturity debt securities" category as of the end of March 2009, which is a difference between market value as of March 2009 and cost after reclassification, is -2.9 billion yen (unrealized gains/losses %: -1.0%).
- (4) Cost of the asset-backed securities classified as "Available-for-sale securities" category as of the end of March 2009 is 90.7 billion yen, and their unrealized gains/losses are -12.9 billion yen (unrealized gains/losses %: -14.3%). Cost of the corporate bonds classified as "Available-for-sale securities" category as of the end of March 2009 is 287.5 billion yen, and their unrealized gains/losses are -26.8 billion yen (unrealized gains/losses %: -9.3%).

## &lt;Application of theoretical price&gt;

- (1) Prices of some of the asset-backed securities have been changed from the prices collected from outside companies (broker or information vender) to the rationally calculated prices (theoretical prices) from March 2009. As a result, market value of "Held-to-maturity debt securities" and "Available-for-sale securities" increased by 24.4 billion yen and 3.9 billion yen (including 2.1 billion yen of effect to impairment loss), respectively.

## &lt;Status of loans to overseas corporations&gt;

- (1) Loans to overseas non-Japanese corporations decreased by 20.5 billion yen from the end of the previous fiscal year to 312.7 billion yen mainly due to the decrease in CLO warehousing loans.

## &lt;Securities with fair value (non-consolidated, before reclassification)&gt;

	Cost		Valuation difference		Mar. 2009 Impairment
	(after impairment)				
	Change fm Mar. 2008		Change fm Mar. 2008		
Asset-backed securities	487.2	-176.6	-111.3	-54.8	-57.4
(in U.S. Dollars)	(4,958)	(-1,667)	(-1,133)	(-569)	(-584)
Corporate bonds	287.5	-68.2	-26.8	-17.7	-2.8
(in U.S. Dollars)	(2,926)	(-625)	(-273)	(-182)	(-29)
Total	774.7	-244.9	-138.2	-72.6	-60.3
(in U.S. Dollars)	(7,884)	(-2,292)	(-1,406)	(-751)	(-613)

Note: Cost and valuation difference are calculated based on theoretical price discussed below.

## &lt;Held-to-maturity debt securities (non-consolidated, after reclassification)&gt;

	Cost (after impairment)		Net		<For reference>	
	(before reclassification)	(after reclassification)		%	before reclassification	
					Unrealized gains/losses	%
Asset-backed securities	396.4	300.9	-2.9	-1.0%	-95.5	-24.8%

Note 1: Net after reclassification is a difference between market value as of March 2009 and cost after reclassification.

Note 2: There are no subprime related RMBS.

(For reference)

Credit ratings of asset-backed securities reclassified into "Held-to-maturity debt securities" category

	Cost (after reclassification)					BB and below
	AAA	AA	A	BBB		
Asset-backed securities	300.9	200.6	39.6	22.6	37.8	-

## &lt;Securities with fair value (non-consolidated, after reclassification)&gt;

	Cost (after impairment)		Unrealized gains/losses		
	Change fm Mar. 2008		Change fm Mar. 2008		%
Securities with fair value	378.2	-193.9	-39.7	-13.7	-10.5%
Asset-backed securities	90.7	-125.6	-12.9	3.9	-14.3%
Securities backed by non-securitized assets	85.7	-107.2	-12.4	3.3	-14.5%
Subprime related RMBS	4.7	-8.2	-0.6	0.7	-12.9%
Securities backed by securitized assets	3.0	-7.4	-0.4	0.6	-14.3%
Equity type securities	1.9	-11.0	-0.1	0.0	-5.5%
Corporate bonds	287.5	-68.2	-26.8	-17.7	-9.3%

Note: Cost (after impairment) as of March 2008 excludes those of the securities that are reclassified to "Held-to-maturity debt securities" category as of March 2009.

## &lt;Application of theoretical price&gt;

	Held-to-maturity debt securities		Available-for-sale securities		
	Cost	Effect on unrealized gains/losses	Cost	Effect on valuation difference	Effect on impairment loss
	(after impairment)		(after impairment)		
Asset-backed securities	160.9	24.4	28.9	1.8	2.1

## &lt;Status of loans to overseas corporations&gt;

(Non-consolidated)	Balance	
	Change fm Mar. 2008	
Corporate loans	312.7	-20.5
(in U.S. Dollars)	3,183	-143

Note: There are no subprime related loans.

## I. Outlook of the financial results

### 1. Outline of the financial results

#### (1) Financial results

(Consolidated)

		Millions of Yen		
		FY2008	FY2007	Change
Gross profits before credit costs (2-4)	1	<b>438,706</b>	406,695	32,011
Gross profits	2	<b>438,707</b>	406,707	32,000
Net trust fees	3	<b>64,448</b>	74,628	-10,180
Principal guaranteed trust a/c credit costs	4	<b>0</b>	11	-11
Trust fees from principal guaranteed trust a/c	5	<b>8,172</b>	11,977	-3,805
Other trust fees	6	<b>56,275</b>	62,639	-6,363
Net interest income	7	<b>174,172</b>	161,750	12,422
Net fees and commissions	8	<b>75,661</b>	102,302	-26,641
Net trading income	9	<b>-52,027</b>	13,403	-65,430
Net other operating income	10	<b>176,452</b>	54,622	121,830
General and administrative expenses	11	<b>-201,068</b>	-199,847	-1,220
(excluding amortization of goodwill)	12	<b>-192,539</b>	-191,609	-930
Personnel expenses	13	<b>-86,865</b>	-86,864	-0
Non-personnel expenses excluding taxes	14	<b>-107,237</b>	-105,264	-1,972
Taxes other than income taxes	15	<b>-6,965</b>	-7,718	753
Provision of general allowance for loan losses	16	<b>2,410</b>	-17,023	19,433
Banking a/c credit costs	17	<b>-103,111</b>	3,673	-106,784
Written-off of loans	18	<b>-12,348</b>	-6,102	-6,246
Provision of specific allowance for loan losses	19	<b>-85,345</b>	14,888	-100,234
Provision of allowance for loan losses from borrowers in specified foreign countries	20	<b>-</b>	614	-614
Losses on sales of loans	21	<b>-5,417</b>	-5,727	310
Net gains on sales of stocks and other securities	22	<b>-48,370</b>	-2,263	-46,107
Net income from affiliates by equity method	23	<b>-2,122</b>	-2,702	580
Others	24	<b>-56,835</b>	-51,557	-5,277
<b>Ordinary profit</b>	25	<b>29,609</b>	136,985	-107,375
Extraordinary profit	26	<b>23,955</b>	9,285	14,670
Recoveries of written-off claims	27	<b>905</b>	865	40
Gains on securities contributed to employee retirement benefit trust	28	<b>21,538</b>	-	21,538
Gains from partial redemption of employee retirement benefit trust	29	<b>-</b>	9,969	-9,969
Income before income taxes	30	<b>53,565</b>	146,271	-92,705
Income taxes-current	31	<b>-45,937</b>	-73,747	27,809
Income taxes-deferred	32	<b>10,540</b>	14,920	-4,379
Minority interest	33	<b>-10,221</b>	-5,098	-5,122
<b>Net income</b>	34	<b>7,946</b>	82,344	-74,398
<b>Total credit costs (4 + 16 + 17 + 27) (*1)</b>	35	<b>-99,794</b>	-12,473	-87,321
<b>Total substantial credit costs (*2)</b>	36	<b>-170,098</b>	-83,536	-86,562
Difference from non-consolidated Total substantial credit costs	37	<b>-48,786</b>	-7,939	-40,846
<b>Net business profit before credit costs (*3)</b>	38	<b>241,153</b>	216,888	24,265

(\*1) Recoveries of written-off claims (27) is included in Total credit costs (35) from this fiscal year.

(\*2) Consolidated total substantial credit costs (36) = (35) + Costs included in (22) (24) which are related to investment in securities of domestic and overseas credit + Affiliates' total credit costs included in (23)

(\*3) Consolidated net business profit before credit costs (37) = Non-consolidated net business profit before credit costs + Subsidiary companies' ordinary profits (non-recurring effect adjusted) + Affiliates' ordinary profits (non-recurring effect adjusted) x Ratio of equity holdings - Intra-group transaction (dividends, etc.)

<Number of subsidiaries/affiliates>

	Mar. 2009	Mar. 2008	Change
Consolidated subsidiaries	<b>37</b>	36	1
Affiliates (subject to the equity method)	<b>8</b>	7	1

(Non-consolidated)

		Millions of Yen			% change
		FY2008	FY2007	Change	
Gross business profits before credit costs (2-4)	1	334,312	305,796	28,516	9.3
Gross profits	2	334,312	305,807	28,504	9.3
Net trust fees	3	64,478	74,641	-10,163	-13.6
Principal guaranteed trust a/c credit costs	4	0	11	-11	-95.7
Trust fees from principal guaranteed trust a/c	5	8,172	11,977	-3,805	-31.8
Other trust fees	6	56,305	62,652	-6,347	-10.1
Net interest income	7	155,677	145,505	10,171	7.0
Domestic	8	128,578	122,005	6,572	5.4
Net fees and commissions	9	28,323	53,730	-25,406	-47.3
Domestic	10	30,000	53,843	-23,842	-44.3
Net trading income	11	-52,027	13,403	-65,430	-488.2
Net other operating income	12	137,861	18,526	119,334	644.1
Net gains on foreign exchange transactions	13	11,828	6,749	5,078	75.2
Net gains on bonds	14	119,415	46,450	72,965	157.1
Net gains from derivatives other than for trading or hedging	15	3,517	-35,907	39,424	109.8
General and administrative expenses	16	-133,289	-131,916	-1,373	-1.0
Personnel expenses	17	-50,368	-50,425	56	0.1
Non-personnel expenses excluding taxes	18	-76,943	-74,758	-2,184	-2.9
Taxes other than income taxes	19	-5,977	-6,732	754	11.2
<b>Net business profit before credit costs (1 + 16)</b>	20	<b>201,022</b>	<b>173,879</b>	<b>27,142</b>	<b>15.6</b>
excluding Net gains on bonds (20 - 14)	21	<b>81,607</b>	<b>127,429</b>	<b>-45,822</b>	<b>-36.0</b>
Provision of general allowance for loan losses	22	7,624	-15,677	23,301	148.6
Net business profit	23	208,647	158,214	50,432	31.9
Net non-recurring profit	24	-170,673	-54,285	-116,387	-214.4
Net gains on sales of stocks and other securities	25	-46,661	4,230	-50,892	-1,202.9
Gains on sale of stocks and other securities	26	7,214	30,382	-23,167	-76.3
Losses on sale of stocks and other securities	27	-3,631	-991	-2,639	-266.2
Losses on devaluation of stocks and other securities	28	-50,244	-25,160	-25,084	-99.7
Banking a/c net credit costs	29	-63,490	4,610	-68,101	-1,477.0
Written-off of loans	30	-11,045	-5,282	-5,763	-109.1
Provision of specific allowance for loan losses	31	-47,048	15,004	-62,052	-413.6
Provision of allowance for loan losses from borrowers in specified foreign countries	32	-	614	-614	-100.0
Losses on sales of loans	33	-5,396	-5,726	329	5.8
Others	34	-60,521	-63,127	2,606	4.1
Amortization of net actuarial losses/prior service cost	35	-9,900	-2,923	-6,976	-238.6
Net gains on stock related derivatives	36	7,396	2,275	5,120	225.1
Provision of allowance for contingencies	37	-63	-7,806	7,742	99.2
Losses related to overseas credit investment	38	-52,487	-48,228	-4,258	-8.8
<b>Ordinary profit</b>	39	<b>37,973</b>	<b>103,928</b>	<b>-65,954</b>	<b>-63.5</b>
Extraordinary profit	40	23,565	9,354	14,211	151.9
Net gains on disposal of fixed assets	41	-296	-1,393	1,097	78.8
Recoveries of written-off claims	42	901	861	40	4.7
Gains on securities contributed to employee retirement benefit trust	43	21,538	-	21,538	-
Gains from partial redemption of employee retirement benefit trust	44	-	9,969	-9,969	-100.0
Income before income taxes	45	61,538	113,282	-51,743	-45.7
Income taxes-current	46	-36,132	-65,661	29,528	45.0
Income taxes-deferred	47	13,529	22,303	-8,773	-39.3
<b>Net income</b>	48	<b>38,936</b>	<b>69,924</b>	<b>-30,988</b>	<b>-44.3</b>
Total credit costs (4 + 22 + 29 + 44) (*1)	49	-54,964	-10,193	-44,770	-439.2
Total substantial credit costs (*2)	50	-121,312	-75,596	-45,715	-60.5
Losses related to domestic credit investments	51	-48,174	3,753	-51,928	-1,383.6
Losses related to international credit investments	52	-73,137	-79,349	6,212	7.8

(\*1) Recoveries of written-off claims (42) is included in Total credit costs (49) from this fiscal year.

(\*2) Total substantial credit costs (50) = (49) + Costs included in (25) (34) which are related investment in securities of domestic and overseas credit

**(2) Breakdown of profit by business group**

## 1) Gross business profits before credit costs

(Non-consolidated)

	Billions of Yen		
	FY2008	FY2007	Change
Retail financial services	79.0	87.5	-8.5
Wholesale financial services	96.9	96.3	0.5
Stock transfer agency services	18.5	18.4	0.0
Global Markets	142.7	49.3	93.3
Fiduciary services	57.2	62.4	-5.2
Pension asset management	39.4	43.0	-3.5
Securities processing services	17.8	19.5	-1.6
Real estate	12.7	31.8	-19.0
Fees paid for outsourcing	-25.3	-26.1	0.7
Stock transfer agency services	-11.6	-12.1	0.5
Fiduciary services	-13.7	-14.0	0.2
Others (*)	-28.8	4.5	-33.3
<b>Gross business profits before credit costs</b>	<b>334.3</b>	<b>305.7</b>	<b>28.5</b>

## 2) Net business profit before credit costs

(Non-consolidated)

	Billions of Yen		
	FY2008	FY2007	Change
Retail financial services	19.7	27.5	-7.7
Wholesale financial services	61.0	59.9	1.1
Stock transfer agency services	4.6	4.1	0.4
Global Markets	130.7	39.8	90.9
Fiduciary services	27.5	33.4	-5.8
Pension asset management	15.9	20.3	-4.4
Securities processing services	11.6	13.1	-1.4
Real estate	4.8	23.9	-19.1
Others (*)	-42.7	-10.5	-32.2
<b>Net business profits before credit costs</b>	<b>201.0</b>	<b>173.8</b>	<b>27.1</b>

(Consolidated)

	Billions of Yen		
	FY2008	FY2007	Change
Retail financial services	22.6	30.3	-7.7
Wholesale financial services	95.3	92.8	2.4
Stock transfer agency services	7.9	7.7	0.2
Global Markets	130.7	39.8	90.9
Fiduciary services	31.3	39.6	-8.2
Pension asset management	16.8	22.4	-5.5
Securities processing services	14.5	17.2	-2.7
Real estate	5.6	26.9	-21.3
Others (*)	-44.4	-12.6	-31.8
<b>Net business profits before credit costs</b>	<b>241.1</b>	<b>216.8</b>	<b>24.2</b>

(\*) Managerial accounting basis. Net of dividend income, cost of capital sourcing and adjustment as a result of reclassifying some non-recurring profit into gross business profit for certain business group are included.



(3) Fee revenue breakdown  
(Consolidated)

	Billions of Yen		
	FY2008	FY2007	Change
Other trust fees	<b>56.2</b>	62.6	-6.3
Pension management and other asset management services (*1)	<b>32.4</b>	35.2	-2.8
Securities processing services	<b>15.8</b>	17.0	-1.1
Real estate	<b>3.9</b>	6.1	-2.2
Net fees and commissions	<b>75.6</b>	102.3	-26.6
Domestic business	<b>67.9</b>	92.8	-24.8
Retail financial services	<b>16.9</b>	26.1	-9.1
Wholesale financial services	<b>45.0</b>	43.9	1.0
Stock transfer agency services	<b>21.9</b>	20.0	1.8
Real estate	<b>18.1</b>	34.5	-16.4
Fees paid for outsourcing	<b>-13.7</b>	-14.0	0.2
International business	<b>7.7</b>	9.4	-1.7
Total	<b>131.9</b>	164.9	-33.0

Note: Managerial accounting basis.

(\*1) Lead manager fees from pension funds are included from this fiscal year; amount affected: FY2008 (3.6 billion yen), FY2007 (3.3 billion yen)

Fee revenue ratio	<b>30.0%</b>	40.5%	-10.5%
Gross profits before credit costs	<b>438.7</b>	406.6	32.0

## (4) Major subsidiaries operating leasing and finance business

	Billions of Yen								
	STB Leasing Group (Consolidated)			Sumishin Matsushita Financial Services			First Credit		
	FY2008	FY2007	Change	FY2008	FY2007	Change	FY2008	FY2007	Change
Ordinary profit	<b>3.4</b>	6.7	-3.3	<b>4.4</b>	3.3	1.0	<b>-30.4</b>	11.6	-42.0
Net income	<b>1.9</b>	4.1	-2.2	<b>2.9</b>	2.4	0.5	<b>-32.6</b>	11.8	-44.5
Total substantial credit costs	<b>-4.2</b>	-1.4	-2.7	<b>-2.8</b>	-0.4	-2.4	<b>-37.3</b>	0.1	-37.4

	Billions of Yen								
	STB Leasing Group (Consolidated)			Sumishin Matsushita Financial Services			First Credit		
	Mar. 2009	Mar. 2008	Change	Mar. 2009	Mar. 2008	Change	Mar. 2009	Mar. 2008	Change
Total assets	<b>590.1</b>	543.7	46.4	<b>584.4</b>	605.1	-20.7	<b>128.4</b>	206.5	-78.0
Net assets	<b>45.7</b>	49.6	-3.8	<b>73.9</b>	71.5	2.4	<b>15.8</b>	48.5	-32.6

## (5) Return on equity

(Consolidated)

	Percentage points		
	FY2008	FY2007	Change
Return (Net income) on shareholders' equity	<b>0.79</b>	8.34	-7.55
Return (Net income) on equity	<b>0.81</b>	7.13	-6.32

(Non-consolidated)

	Percentage points		
	FY2008	FY2007	Change
Return (Net income) on shareholders' equity	<b>4.04</b>	7.47	-3.43
Return (Net income) on equity	<b>4.13</b>	6.31	-2.18
Return (Net business profit before credit costs) on shareholders' equity	<b>20.89</b>	18.58	2.31
Return (Net business profit before credit costs) on equity	<b>21.35</b>	15.69	5.66

Return of shareholders' equity (equity) formula = Net income (Net business pfofit before credit costs) / { [Beginning balance of shareholders' equity (equity)] + [Ending balance of shareholders' equity (equity)] } ÷2 X 100

Note: Shareholders' equity = Equity - Valuation and translation adjustments  
Equity = Total net assets - Minority interests

## 2. Assets and liabilities

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

1) Balance of major accounts  
(Non-consolidated)

		Millions of Yen					
		Mar. 2009		Mar. 2008		Change	
		Total	Domestic business	Total	Domestic business	Total	Domestic business
Loans	(Ending balance)	<b>11,768,406</b>	<b>11,011,380</b>	11,362,157	10,566,900	406,248	444,480
	(Average balance)	<b>11,492,601</b>	<b>10,814,095</b>	11,212,296	10,431,619	280,305	382,475
Banking account	(Ending balance)	<b>11,488,687</b>	<b>10,731,661</b>	11,033,244	10,237,987	455,443	493,674
	(Average balance)	<b>11,177,311</b>	<b>10,498,804</b>	10,803,947	10,023,270	373,363	475,534
Principal guaranteed trust account	(Ending balance)	<b>279,719</b>	<b>279,719</b>	328,913	328,913	-49,194	-49,194
	(Average balance)	<b>315,290</b>	<b>315,290</b>	408,349	408,349	-93,058	-93,058
Deposits (*)	(Ending balance)	<b>11,906,026</b>	<b>11,320,003</b>	11,810,218	10,958,061	95,807	361,942
	(Average balance)	<b>11,687,515</b>	<b>11,090,278</b>	11,112,981	10,210,472	574,533	879,806
Time deposits	(Ending balance)	<b>9,789,382</b>	<b>9,310,599</b>	9,663,967	8,918,393	125,415	392,206
	(Average balance)	<b>9,728,725</b>	<b>9,212,702</b>	9,077,474	8,302,132	651,251	910,569
Liquidity deposits (**)	(Ending balance)	<b>1,778,150</b>	<b>1,775,482</b>	1,835,112	1,833,908	-56,961	-58,426
	(Average balance)	<b>1,672,891</b>	<b>1,671,323</b>	1,708,880	1,707,682	-35,988	-36,359
Trust principal	(Ending balance)	<b>766,686</b>	<b>766,686</b>	981,504	981,504	-214,818	-214,818
	(Average balance)	<b>878,671</b>	<b>878,671</b>	1,282,057	1,282,057	-403,385	-403,385

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

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

2) Ending balance of domestic deposits classified by depositors

(Non-consolidated)

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Individuals	<b>8,641,695</b>	8,566,213	8,315,391	75,482	326,304
Deposits (*)	<b>8,055,573</b>	7,931,081	7,606,331	124,491	449,241
Trust principal (Principal guaranteed)	<b>586,122</b>	635,132	709,059	-49,009	-122,937
Corporations and other organizations	<b>2,499,264</b>	2,185,344	2,561,851	313,919	-62,587
Deposits (*)	<b>2,318,700</b>	1,949,767	2,289,406	368,933	29,293
Trust principal (Principal guaranteed)	<b>180,563</b>	235,576	272,444	-55,013	-91,880
Others	<b>945,730</b>	1,195,188	1,062,322	-249,458	-116,592
Total	<b>12,086,689</b>	11,946,746	11,939,565	139,943	147,124

(\*) Excluding NCDs and offshore accounts

(2) Spread

(Non-consolidated)

1) Domestic banking a/c

	Percentage points				
	FY2008			FY2007	Change from FY2007
	2HFY2008	1HFY2008			
Average yield on interest-earning assets (A)	<b>1.48</b>	<b>1.41</b>	1.56	1.40	0.08
Loans and bills discounted (a)	<b>1.59</b>	<b>1.58</b>	1.59	1.55	0.04
Bonds (b)	<b>1.66</b>	<b>1.29</b>	2.05	1.39	0.27
Average yield on interest-bearing liabilities (B)	<b>0.63</b>	<b>0.62</b>	0.63	0.57	0.06
Deposits (c)	<b>0.60</b>	<b>0.60</b>	0.60	0.51	0.09
Gross margin (A) - (B)	<b>0.85</b>	<b>0.79</b>	0.93	0.83	0.02
Loan-deposit margin (a) - (c)	<b>0.99</b>	<b>0.98</b>	0.99	1.04	-0.05

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

	Percentage points				
	FY2008			FY2007	Change from FY2007
	2HFY2008	1HFY2008			
Average yield on interest-earning assets (A)	<b>1.48</b>	1.41	1.56	1.40	0.08
Loans and bills discounted (a)	<b>1.58</b>	1.58	1.59	1.54	0.04
Bonds (b)	<b>1.66</b>	1.29	2.05	1.39	0.27
Average yield on interest-bearing liabilities (B)	<b>0.60</b>	0.60	0.61	0.53	0.07
Deposits (c)	<b>0.58</b>	0.58	0.57	0.48	0.10
Gross margin (A) - (B)	<b>0.88</b>	0.81	0.95	0.87	0.01
Loan-deposit margin (a) - (c)	<b>1.00</b>	1.00	1.02	1.06	-0.06

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

(Non-consolidated)

	Billions of Yen						
	Balance			Sales volume			
	Mar. 2009	Mar. 2008	Change	FY2008		FY2007	
				(from Oct. to Mar.)	(from Apr. to Sep.)	(from Oct. to Mar.)	(from Apr. to Sep.)
Mutual fund	925.8	1,278.1	-352.3	40.5	94.2	102.7	263.7
Individual annuity	578.5	550.0	28.5	36.3	33.0	36.2	47.8
<b>Total</b>	<b>1,504.4</b>	<b>1,828.1</b>	<b>-323.7</b>	<b>76.9</b>	<b>127.2</b>	<b>138.9</b>	<b>311.6</b>

## (4) Unrealized gains/losses on investment securities

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

(Consolidated)

	Millions of Yen							
	Mar. 2009			Mar. 2008			Change of book value	Change of net
	Book value	Fair value	Net	Book value	Fair value	Net		
Japanese Government Bonds	331,712	338,881	7,169	439,374	447,281	7,906	-107,661	-737
Japanese Local Government Bonds	50	50	0	100	100	0	-50	-0
Japanese Corporate Bonds	24,288	24,431	142	136,890	136,929	38	-112,602	103
Others	301,180	298,294	-2,885	281	316	34	300,898	-2,920
Foreign bonds	301,180	298,294	-2,885	281	316	34	300,898	-2,920
<b>Total</b>	<b>657,231</b>	<b>661,657</b>	<b>4,426</b>	<b>576,646</b>	<b>584,627</b>	<b>7,980</b>	<b>80,584</b>	<b>-3,553</b>

Note 1: Some securities of "Foreign bonds" were reclassified from "Available-for-sale securities" category to "Held-to-maturity debt securities" category based on the Accounting Standards Board of Japan's "Tentative Solution on Reclassification of Debt Securities (Practical Issue Task Force No.26)" at the end of March 2009. Please refer to Note 1 of Non-consolidated stated below.

Note 2: Prices of some of the overseas asset-backed securities have been changed from the prices collected from outside companies (broker or information vender) to the rationally calculated prices at the end of March 2009, based on "Practical Solution on Measurement of Fair Value for Financial Assets (Practical Issue Task Force No. 25)". As a result, "Fair value" and "Net" of "Foreign bonds" have increased by 24,401 million yen, compared with the case of applying the prices collected from outside companies.

(Non-consolidated)

	Millions of Yen							
	Mar. 2009			Mar. 2008			Change of book value	Change of net
	Book value	Fair value	Net	Book value	Fair value	Net		
Japanese Government Bonds	331,345	338,510	7,164	438,978	446,883	7,904	-107,633	-740
Japanese Local Government Bonds	-	-	-	-	-	-	-	-
Japanese Corporate Bonds	24,288	24,431	142	136,890	136,929	38	-112,602	103
Others	300,957	298,023	-2,933	-	-	-	300,957	-2,933
Foreign bonds	300,957	298,023	-2,933	-	-	-	300,957	-2,933
<b>Total</b>	<b>656,591</b>	<b>660,964</b>	<b>4,373</b>	<b>575,869</b>	<b>583,813</b>	<b>7,943</b>	<b>80,721</b>	<b>-3,570</b>

Note 1: Some securities of "Foreign bonds" were reclassified from "Available-for-sale securities" category to "Held-to-maturity debt securities" category based on the Accounting Standards Board of Japan's "Tentative Solution on Reclassification of Debt Securities (Practical Issue Task Force No.26)" at the end of March 2009.

(For reference) Reclassified foreign bonds (comparison with the case of not reclassifying them)

	Millions of Yen						
	Mar. 2009				Mar. 2008 (For reference)		
	Held-to-maturity debt securities				Available-for-sale securities (before reclassification)		
	Book value	Fair value	Net	Unrealized gains/losses (Unamortized balance)	Cost	Book value	Net
Foreign bonds	300,957	298,023	-2,933	-95,503	396,460	298,023	-98,437

Note: Prices of some of the overseas asset-backed securities have been changed from the prices collected from outside companies (broker or information vender) to the rationally calculated prices at the end of March 2009, based on "Practical Solution on Measurement of Fair Value for Financial Assets (Practical Issue Task Force No. 25)". As a result, "Fair value" and "Net" of "Foreign bonds" have increased by 24,401 million yen, compared with the case of applying the prices collected from outside companies.

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

	Millions of Yen							
	Mar. 2009			Mar. 2008			Change of cost	Change of net
	Cost	Book value	Net	Cost	Book value	Net		
Japanese stocks	432,655	408,214	-24,441	478,667	669,831	191,163	-46,011	-215,605
Japanese bonds	1,540,872	1,561,195	20,323	829,653	829,100	-552	711,219	20,875
Government bonds	1,416,534	1,437,271	20,737	648,503	649,475	971	768,030	19,765
Local government bonds	11,758	11,766	7	25,441	25,623	182	-13,683	-174
Corporate bonds	112,580	112,158	-421	155,708	154,001	-1,706	-43,128	1,284
Others	2,126,369	2,061,444	-64,925	2,603,717	2,523,932	-79,785	-477,347	14,859
Foreign stocks	346	483	136	374	1,112	738	-27	-601
Foreign bonds	1,634,165	1,588,837	-45,328	1,979,586	1,910,582	-69,003	-345,420	23,675
Others	491,857	472,123	-19,733	623,756	612,236	-11,519	-131,899	-8,213
<b>Total</b>	<b>4,099,898</b>	<b>4,030,854</b>	<b>-69,043</b>	<b>3,912,038</b>	<b>4,022,864</b>	<b>110,826</b>	<b>187,860</b>	<b>-179,869</b>

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

Note 2: Some of the overseas asset-backed securities included in "Foreign bonds" (cost: 396.4 billion yen) were reclassified from "Available-for-sale securities" category to "Held-to-maturity debt securities" category based on the Accounting Standards Board of Japan's "Tentative Solution on Reclassification of Debt Securities (Practical Issue Task Force No. 26)" at the end of March 2009. Please refer to Note 1 of "1) Held-to-maturity debt securities with fair value (Non-consolidated)" on page 7.

Note 3: Book value of floating rate government bonds and some of the overseas asset-backed securities had been calculated based on the prices collected from outside companies (broker of information vender) in the past. However, they start to be calculated based on the rationally calculated prices at the end of March 2009, based on the Accounting Standards Board of Japan's "Practical Solution on Measurement of Fair Value for Financial Assets (Practical Issue Task Force No. 25)". As a result, "Book value" and "Net" of floating rate government bonds in "Government bonds" have both increased by 14,255 million yen, and "Book value" and "Net" of asset-backed securities in "Foreign bonds" have increased by 3,914 million yen and 1,804 million yen respectively, compared with the case of applying the prices collected from outside companies.

## (Non-consolidated)

	Millions of Yen							
	Mar. 2009			Mar. 2008			Change of cost	Change of net
	Cost	Book value	Net	Cost	Book value	Net		
Japanese stocks	432,577	408,008	-24,568	478,567	669,412	190,845	-45,990	-215,413
Japanese bonds	1,540,872	1,561,195	20,323	829,653	829,100	-552	711,219	20,875
Government bonds	1,416,534	1,437,271	20,737	648,503	649,475	971	768,030	19,765
Local government bonds	11,758	11,766	7	25,441	25,623	182	-13,683	-174
Corporate bonds	112,580	112,158	-421	155,708	154,001	-1,706	-43,128	1,284
Others	2,109,252	2,045,033	-64,218	2,573,201	2,493,618	-79,582	-463,949	15,364
Foreign stocks	343	434	90	370	1,093	722	-27	-632
Foreign bonds	1,618,748	1,573,994	-44,754	1,955,410	1,886,621	-68,789	-336,662	24,034
Others	490,160	470,605	-19,554	617,420	605,903	-11,516	-127,259	-8,038
<b>Total</b>	<b>4,082,702</b>	<b>4,014,238</b>	<b>-68,464</b>	<b>3,881,421</b>	<b>3,992,132</b>	<b>110,710</b>	<b>201,280</b>	<b>-179,174</b>

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

Note 2: Some of the overseas asset-backed securities included in "Foreign bonds" (cost: 396.4 billion yen) were reclassified from "Available-for-sale securities" category to "Held-to-maturity debt securities" category based on the Accounting Standards Board of Japan's "Tentative Solution on Reclassification of Debt Securities (Practical Issue Task Force No. 26)" at the end of March 2009. Please refer to Note 1 of "1) Held-to-maturity debt securities with fair value (Non-consolidated)" on page 7.

Note 3: Book value of floating rate government bonds and some of the overseas asset-backed securities had been calculated based on the prices collected from outside companies (broker of information vender) in the past. However, they start to be calculated based on the rationally calculated prices at the end of March 2009, based on the Accounting Standards Board of Japan's "Practical Solution on Measurement of Fair Value for Financial Assets (Practical Issue Task Force No. 25)". As a result, "Book value" and "Net" of floating rate government bonds in "Government bonds" have both increased by 14,255 million yen, and "Book value" and "Net" of asset-backed securities in "Foreign bonds" have increased by 3,914 million yen and 1,804 million yen respectively, compared with the case of applying the prices collected from outside companies.

## (5) Unrealized gains/losses of derivative transaction

(Non-consolidated)

	Millions of Yen					
	Hedge accounting applied (deferred gains/losses)			Hedge accounting not applied (unrealized gains/losses)		
	Mar. 2009	Mar. 2008	Change	Mar. 2009	Mar. 2008	Change
Interest rate related	<b>1,074</b>	8,511	-7,437	<b>103,008</b>	79,802	23,205
Interest rate swaps	<b>1,074</b>	8,511	-7,437	<b>159,973</b>	65,902	94,071
Currency related	<b>5,619</b>	165	5,454	<b>34,298</b>	20,570	13,727
Stock related	<b>-7,532</b>	-2,837	-4,694	<b>-330</b>	-434	104
Bond related	-	-	-	<b>-89</b>	-3,653	3,564
Credit related	-	-	-	<b>489</b>	584	-95
Total	<b>-838</b>	5,839	-6,677	<b>137,376</b>	96,868	40,507

## (6) Cross shareholdings

1) Cross shareholdings (with Fair value)

(Consolidated)

	Billions of Yen		
	Mar. 2009	Sep. 2008	Mar. 2008
Cost basis (A)	<b>432.6</b>	467.4	478.6
Mark-to-market basis	<b>408.2</b>	641.7	669.8
Tier I (B)	<b>1,061.8</b>	1,114.3	1,073.3
Percentage (A) / (B)	<b>40.7%</b>	41.9%	44.5%

2) Unwinding of cross shareholdings (Cost basis)

(Non-consolidated)

	Billions of Yen			
	FY2008		FY2007	
	1HFY2008		1HFY2007	
Cost basis	<b>36.4</b>	1.7	12.8	5.1

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

Note 2: Including securities contributed to employee retirement benefit trust (15.4 billion yen) in FY2008.

(7) Exposure to securitized products

(1) Status of the international credit investment

1) Securities with fair value

(i) Reclassification of debt securities and application of theoretical price

- The asset-backed securities (cost before reclassification: 396.4 billion yen) were reclassified from "Available-for-sale securities" category to "Held-to-maturity debt securities" category.
- As a result of reclassification, unrealized gains/losses at the time of reclassification were removed from the cost of "Held-to-maturity debt securities", were posted in net assets after considering tax effects, and are amortized evenly until maturity. Unamortized balance of the unrealized gains/losses before considering tax effects is -95.5 billion yen as of the end of March 2009.
- Prices of some of the asset-backed securities listed in the following tables have been changed from the prices collected from outside companies such as broker and information vender (market price) to the rationally calculated prices (theoretical price) from March 2009. As a result, impairment loss has decreased by 2.1 billion yen, compared with the case of applying market price as before.

Application of theoretical price (Mar. 2009)	Billions of Yen				
	Held-to-maturity debt securities		Available-for-sale securities		
	Cost	Effect on unrealized gains/losses	Cost	Effect on valuation difference	Effect on impairment loss
International asset-backed securities	160.9	24.4	28.9	1.8	2.1
RMBS exc. Subprime related RMBS	107.6	19.5	23.3	1.7	1.3
CARDS (Credit card receivables)	53.2	4.8	5.5	0.0	0.7

(ii) Status of securities with fair value (before reclassification, after applying theoretical price)

(Non-consolidated)

	Billions of Yen, millions of U.S. Dollars							
	Mar. 2009							
	Total							
	Cost (after impairment)	Change from Mar. 2008	Valuation difference	Change from Mar. 2008	Mar. 2009 impairment	Held-to-maturity debt securities Cost (*)	Unrealized gains/losses (*)	
Securities with fair value	1	774.7	-244.9	-138.2	-72.6	-60.3	396.4	-98.4
(in U.S. Dollars)	2	(7,884)	(-2,292)	(-1,406)	(-751)	(-613)	(4,034)	(-1,001)
Asset-backed securities	3	487.2	-176.6	-111.3	-54.8	-57.4	396.4	-98.4
(in U.S. Dollars)	4	(4,958)	(-1,667)	(-1,133)	(-569)	(-584)	(4,034)	(-1,001)
Securities backed by non-securitized assets	5	482.2	-158.1	-110.8	-55.5	-41.7	396.4	-98.4
RMBS exc. Subprime related RMBS	6	156.2	-72.8	-20.6	-4.2	-9.1	131.4	-18.1
CMBS (Commercial mortgage)	7	23.5	-15.3	-5.8	-2.5	-3.8	-	-
CARDS (Credit card receivables)	8	74.4	-10.7	-11.9	-3.4	-1.5	68.9	-11.3
CLO (Corporate loans)	9	191.6	-13.8	-68.1	-47.5	-0.1	191.6	-68.1
Other ABSs	10	22.8	-13.7	-2.7	-0.8	-5.9	4.4	-0.7
Subprime related RMBS	11	4.7	-8.2	-0.6	0.7	-4.3	-	-
CDO mezzanine	12	3.4	-14.9	-	2.8	-13.9	-	-
Synthetic CDO	13	5.2	-8.4	-0.8	-0.3	-2.8	-	-
Securities backed by securitized assets	14	3.0	-7.4	-0.4	0.6	-2.9	-	-
ABS-CDO (resecuritization)	15	3.0	-7.4	-0.4	0.6	-2.9	-	-
Equity type securities	16	1.9	-11.0	-0.1	0.0	-12.7	-	-
CLO equities	17	1.3	-10.7	-	0.1	-12.7	-	-
SIV Capital notes	18	0.5	-0.2	-0.1	-0.1	-	-	-
Corporate bonds	19	287.5	-68.2	-26.8	-17.7	-2.8	-	-
(in U.S. Dollars)	20	(2,926)	(-625)	(-273)	(-182)	(-29)	-	-
Bonds issued by financial institutions	21	77.0	-15.1	-14.2	-9.9	-2.1	-	-

Note 1: Cost and Unrealized gains/losses of Held-to-maturity debt securities are calculated based on the past standards before reclassification.

Note 2: "Cost (after impairment)" and "Unrealized gains/losses" of asset-backed securities and corporate bonds guaranteed by "Monoline" insurance companies are 5.6 billion yen and -0.5 billion yen, respectively, as of the end of March 2009.

(iii) Held-to-maturity debt securities (after reclassification, after applying theoretical price)

(Non-consolidated)

	Billions of Yen							
	Mar. 2009							
	after reclassification					(For reference) before reclassification		
	Cost (after reclassification) (*)	North America	Europe	Net (after reclassification) (*)	Unrealized gains/losses %	Unrealized gains/losses (Unamortized balance)	Unrealized gains/losses %	
Asset-backed securities	22	300.9	149.8	151.1	-2.9	-1.0%	-95.5	-24.8%
RMBS exc. Subprime related RMBS	23	107.6	-	107.6	5.6	5.2%	-23.8	-13.8%
CARDS (Credit card receivables)	24	53.2	47.2	6.0	4.2	8.1%	-15.6	-16.5%
CLO (Corporate loans)	25	136.1	98.7	37.4	-12.6	-9.3%	-55.5	-35.6%
Other ABSs	26	3.8	3.8	-	-0.1	-4.7%	-0.5	-16.2%

(\*) Cost (after reclassification) is a figure after deducting Unrealized gains/losses at the time of reclassification. Net (after reclassification) is a difference between market value as of March 2009 and cost after reclassification.

(For reference) Credit ratings

	Billions of Yen							
	Cost (after reclassification)			Credit Ratings (*1)				
	Cost (after reclassification)	Change from Mar. 2008		AAA	AA	A	BBB	BB and below/ (No rating)
Asset-backed securities	27	300.9	-146.4	200.6	39.6	22.6	37.8	-
RMBS exc. Subprime related RMBS	28	107.6	-61.7	50.3	26.6	18.3	12.4	-
CARDS (Credit card receivables)	29	53.2	-14.1	23.4	-	4.3	25.4	-
CLO (Corporate loans)	30	136.1	-69.1	123.0	13.0	-	-	-
Other ABSs	31	3.8	-1.4	3.8	-	-	-	-

(\*1) On internal credit ratings basis (shown in rating marks based on the general correspondence with external credit ratings.)

(\*2) Vintage of RMBS: 2007: 12.90%, 2006: 29.08%, 2005 and before: 58.02%

(\*3) Change from March 2008 is a difference between cost (after reclassification) and cost (before reclassification) of reclassified securities as of the end of March 2008.

(iv) Available-for-sale securities  
(Non-consolidated)

		Billions of Yen						
		March 2009						
		Cost (after impairment)			Unrealized gains/losses			
		North America	Europe	Change from Mar. 2008 (*1)	Change from Mar. 2008 (*1)			%
Securities with fair value	1	378.2	47.2	180.2	-193.9	-39.7	-13.7	-10.5%
Asset-backed securities	2	90.7	24.2	64.0	-125.6	-12.9	3.9	-14.3%
Securities backed by non-securitized assets	3	85.7	20.2	63.0	-107.2	-12.4	3.3	-14.5%
RMBS exc. Subprime related RMBS	4	24.7	0.9	22.3	-34.9	-2.4	2.0	-10.1%
CMBS (Commercial mortgage)	5	23.5	0.2	23.3	-15.3	-5.8	-2.5	-24.7%
CARDS (Credit card receivables)	6	5.5	5.5	-	-12.2	-0.6	0.8	-11.2%
CLO (Corporate loans)	7	0.0	0.0	-	-0.1	-	-	-%
Other ABSs	8	18.4	5.6	11.8	-12.8	-2.0	-0.3	-11.0%
Subprime related RMBS	9	4.7	4.7	-	-8.2	-0.6	0.7	-12.9%
CDO mezzanine	10	3.4	3.0	0.4	-14.9	-	2.8	-%
Synthetic CDO	11	5.2	0.1	5.1	-8.4	-0.8	-0.3	-16.2%
Securities backed by securitized assets	12	3.0	2.7	0.3	-7.4	-0.4	0.6	-14.3%
ABS-CDO (resecuritization)	13	3.0	2.7	0.3	-7.4	-0.4	0.6	-14.3%
Equity type securities	14	1.9	1.2	0.6	-11.0	-0.1	0.0	-5.5%
CLO equities	15	1.3	0.6	0.6	-10.7	-	0.1	-%
SIV Capital notes	16	0.5	0.5	-	-0.2	-0.1	-0.1	-18.6%
Corporate bonds	17	287.5	22.9	116.2	-68.2	-26.8	-17.7	-9.3%
Bonds issued by financial institutions	18	77.0	11.1	36.7	-15.1	-14.2	-9.9	-18.5%

(\*1) Change from March 2008 is the difference excluding the securities that are reclassified to cost (after impairment) as of March 2009 excludes those of the securities that are reclassified to "Held-to-maturity debt securities" category.

Note: There are no securities issued by government sponsored enterprises (Fannie Mae, Freddie Mac, FHLB) as of March 2009.

## (Reference 1) Credit ratings

		Billions of Yen						
		Cost (after impairment)		Credit Ratings (*2)				
		Change from Mar. 2008 (*1)		AAA	AA	A	BBB	BB and below/ (No rating)
		North America	Europe					
Securities with fair value	19	378.2	-193.9	50.8	56.0	138.9	99.5	32.8
Asset-backed securities	20	90.7	-125.6	50.8	14.3	8.0	12.6	4.8
Securities backed by non-securitized assets	21	85.7	-107.2	49.5	14.0	7.5	12.1	2.5
RMBS exc. Subprime related RMBS (*3)	22	24.7	-34.9	19.4	1.5	0.9	2.6	0.1
CMBS (Commercial mortgage)	23	23.5	-15.3	18.7	3.9	0.9	-	-
CARDS (Credit card receivables)	24	5.5	-12.2	-	-	-	5.5	-
CLO (Corporate loans)	25	0.0	-0.1	-	-	-	0.0	-
Other ABSs	26	18.4	-12.8	7.4	4.1	4.7	2.1	-
Subprime related RMBS (*3)	27	4.7	-8.2	0.4	2.2	-	0.6	1.4
CDO mezzanine	28	3.4	-14.9	-	0.7	0.7	1.0	0.8
Synthetic CDO	29	5.2	-8.4	3.3	1.4	0.2	-	0.1
Securities backed by securitized assets	30	3.0	-7.4	1.3	0.2	0.5	0.5	0.3
ABS-CDO (resecuritization)	31	3.0	-7.4	1.3	0.2	0.5	0.5	0.3
Equity type securities	32	1.9	-11.0	-	-	-	-	0.5/(1.3)
Corporate bonds	33	287.5	-68.2	-	41.7	130.9	86.8	27.9
Bonds issued by financial institutions	34	77.0	-15.1	-	37.9	31.7	5.8	1.5

(\*1) Change from March 2008 is the difference excluding the securities that are reclassified to cost (after impairment) as of March 2009 excludes those of the securities that are reclassified to "Held-to-maturity debt securities" category.

(\*2) On internal credit ratings basis (shown in rating marks based on the general correspondence with external credit ratings.)

(\*3) Vintage of RMBS: 2007: 23.13%, 2006: 48.32%, 2005 and before: 28.55%

(Reference 2) Asset-backed securities held by STB Omega Investment Ltd., Sumitomo Trust's 75% owned subsidiary  
(not included in the top table)

		Billions of Yen						
		Mar. 2009						
		Cost (after impairment)			Unrealized gains/ losses			
		North America	Europe	Change from Mar. 2008	Change from Mar. 2008			%
CLO equities	35	0.3	0.3	-	-5.5	-0.1	-0.1	-28.0%



2) Securities with no available fair value  
(Non-consolidated)

		Billions of Yen			
		Mar. 2009			
		Cost (after impairment)			
		North America	Europe	Change from Mar. 2008	
Securities with no available fair value	1	27.8	9.4	6.6	-6.8
Asset-backed securities	2	0.0	0.0	-	-3.7

3) Exposure to corporate loans  
(Non-consolidated)

		Billions of Yen, millions of U.S. Dollars						
		Mar. 2009						
		Balance				Internal Credit Ratings (*1)		
		Total	North America	Europe	Change from Mar. 2008	1-4	5-6	7-8
Corporate loans (*2)	3	312.7	159.1	62.2	-20.5	95.0	184.6	32.4
(in U.S. Dollars)	4	3,183	1,619	633	-143	967	1,878	329
Manufacturing	5	86.2	45.3	30.5	-15.1	3.1	62.8	19.5
Energy and utilities	6	24.4	6.2	-	4.5	5.5	18.4	0.5
Communication	7	32.2	18.5	7.1	-3.5	3.0	26.5	2.7
Wholesale and retail	8	26.9	22.4	4.1	4.8	9.9	14.6	2.3
Finance and insurance	9	46.6	30.8	0.4	-13.2	41.4	3.9	1.2
Real estate	10	5.9	2.2	-	-1.2	3.5	2.4	-
Various services	11	45.5	27.3	13.4	-2.8	3.0	38.4	4.0

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

(\*2) There are no subprime related loans.

4) Total substantial credit costs (Losses related to international credit investments)  
(Non-consolidated)

		Billions of Yen					
		FY2008					
		Losses related to international credit investments					
		Losses on sale	Losses on devaluation	Total credit costs	Net gains on sales of stocks and other	Others	
Asset-backed securities	12	-59.1	-1.6	-57.4	-	-12.9	-46.2
RMBS exc. Subprime related RMBS	13	-9.1	-	-9.1	-	-	-9.1
CMBS (Commercial mortgage)	14	-3.8	-	-3.8	-	-	-3.8
CARDS (Credit card receivables)	15	-1.5	-	-1.5	-	-	-1.5
CLO (Corporate loans)	16	-0.1	-	-0.1	-	-	-0.1
Other ABSs	17	-5.9	-	-5.9	-	-	-5.9
Subprime related RMBS	18	-5.0	-0.6	-4.3	-	-	-5.0
CDO mezzanine	19	-13.9	-	-13.9	-	-	-13.9
Synthetic CDO	20	-2.9	-0.0	-2.8	-	-	-2.9
ABS-CDO	21	-3.6	-0.7	-2.9	-	-	-3.6
CLO equities	22	-12.9	-0.1	-12.7	-	-12.9	-
SIV Capital notes	23	-0.0	-0.0	-	-	-	-0.0
Corporate bonds	24	-4.9	-2.0	-2.8	-	-	-4.9
Bonds issued by financial institutions	25	-4.0	-1.9	-2.1	-	-	-4.0
Corporate loans	26	-0.6	-5.4	-1.6	-0.6	-	-
Others	27	-8.4	-	-0.8	-7.4	-0.8	-0.1
<b>Total</b>	<b>28</b>	<b>-73.1</b>	<b>-9.1</b>	<b>-62.7</b>	<b>-8.0</b>	<b>-13.7</b>	<b>-51.2</b>

## 2) Status of domestic credit investment

## i) Exposure to asset-backed securities

(Non-consolidated)

		Billions of Yen						
		Mar. 2009						
		Cost (after impairment)		Unrealized gains/losses			Internal Credit Ratings (*)	
		Change from Mar. 2008		Change from Mar. 2008		%	1-4	5-6
Total of asset-backed securities with fair value	1	<b>450.8</b>	-181.5	-14.1	-6.4	-3.1%	390.9	53.1
Housing loans	2	<b>253.0</b>	-48.5	-4.1	-3.1	-1.6%	251.0	1.9
Other consumer loans	3	<b>65.6</b>	-53.9	-0.0	0.5	-0.2%	65.0	0.6
Commercial real estate-secured loans	4	<b>32.8</b>	-20.3	-0.6	-0.3	-2.0%	25.7	7.0
Corporate loans and bonds	5	<b>71.2</b>	-32.0	-9.1	-3.4	-12.8%	21.0	43.4
Claims on lease payments	6	<b>28.0</b>	-26.6	-0.1	-0.0	-0.5%	28.0	-
Total of asset-backed securities with no available fair value	7	<b>31.8</b>	4.6				4.7	13.8
Housing loans	8	<b>3.5</b>	-0.3				-	3.5
Other consumer loans	9	<b>2.3</b>	2.3				-	1.3
Commercial real estate-secured loans	10	<b>13.7</b>	2.6				4.7	9.0
Corporate loans and bonds	11	<b>12.2</b>	-0.0				-	-

Note: Categorized by collateralized assets

(\*) There are no securities rated less than or equal to 7.

## ii) Domestic LBO finance

(Non-consolidated)

		Billions of Yen				
		Mar. 2009				
		Balance	Internal Credit Ratings			
		Change from Mar. 2008	1-4	5-6	7-8	
Domestic LBO finance	12	56.2	-12.0	2.8	35.5	17.8

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

## (i) SPE related transactions collateralized by overseas assets

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

## (ii) SPE related transactions collateralized by domestic assets

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

(Non-consolidated)

		Billions of Yen						
		Mar. 2009						
		Balance	Change from Mar. 2008	Internal Credit Ratings			ABCP Outstanding	Change from Mar. 2008
				1-4	5-6	7-8		
Total	13	<b>501.6</b>	-137.2	335.9	164.8	0.8	480.8	-68.8
Accounts receivable	14	<b>383.1</b>	-151.6	232.3	149.9	0.8		
Loans	15	<b>5.0</b>	-31.1	4.3	0.6	-		
Claims on lease payments	16	<b>86.9</b>	56.0	78.8	8.1	-		
Others	17	<b>26.5</b>	-10.5	20.5	6.0	-		

Note: Categorized by underlying assets.

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

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Assets classified under the Financial Reconstruction Law (a)	<b>116,441</b>	70,048	107,078	46,393	9,363
Loans in bankrupt and practically bankrupt	<b>27,969</b>	19,640	6,854	8,329	21,114
Doubtful loans	<b>73,748</b>	28,269	27,270	45,478	46,477
Substandard loans (b)	<b>14,723</b>	22,138	72,952	-7,414	-58,229
Ordinary assets	<b>12,363,321</b>	12,044,764	12,084,568	318,557	278,753
Loans to substandard debtors (excluding Substandard loans) (c)	<b>13,215</b>	3,344	4,132	9,871	9,083
Loans to special mention debtors (excluding (b) and (c))	<b>832,133</b>	782,038	747,189	50,095	84,943
Loans to ordinary debtors	<b>11,517,972</b>	11,259,382	11,333,246	258,590	184,725
Total loan balance (d)	<b>12,479,763</b>	12,114,812	12,191,646	364,950	288,116
Ratio to total loan balance (a) / (d)	<b>0.9%</b>	0.6%	0.9%	0.3%	0.0%
Loans to substandard debtors (b)+(c)	<b>27,939</b>	25,482	77,084	2,456	-49,145

Note: Partial direct written-off: Mar. 2009: 28,877 million yen, Sep. 2008: 25,332 million yen, Mar. 2008: 24,724 million yen

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

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Risk managed loans	<b>191,372</b>	138,702	150,312	52,669	41,060
Loans in bankruptcy proceedings	<b>22,008</b>	12,841	1,126	9,166	20,881
Other delinquent loans	<b>147,283</b>	88,513	70,766	58,769	76,516
Loans more than 3 months past due	<b>5</b>	1	4	3	0
Restructured loans	<b>22,075</b>	37,345	78,414	-15,269	-56,338
Total loans under risk management	<b>11,509,323</b>	11,145,157	11,075,142	364,166	434,181
Ratio to total loan balance	<b>1.7%</b>	1.2%	1.4%	0.5%	0.3%

Note: Partial direct written-off: Mar. 2009: 54,922million yen, Sep. 2008: 33,540 million yen, Mar. 2008: 29,496 million yen

## (Non-consolidated)

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Risk managed loans	<b>108,625</b>	61,812	106,867	46,812	1,758
Loans in bankruptcy proceedings	<b>17,315</b>	7,905	349	9,409	16,965
Other delinquent loans	<b>76,587</b>	31,768	33,565	44,818	43,021
Loans more than 3 months past due	-	-	-	-	-
Restructured loans	<b>14,723</b>	22,138	72,952	-7,414	-58,229
Total loans under risk management	<b>11,768,406</b>	11,385,933	11,362,157	382,473	406,248
Ratio to total loan balance	<b>0.9%</b>	0.5%	0.9%	0.4%	0.0%

Note: Partial direct written-off: Mar. 2009: 28,877 million yen, Sep. 2008: 25,332 million yen, Mar. 2008: 24,724 million yen

### 3. Total risk-weighted assets and capital (Basel II)

#### (1) Risk measurement methodologies

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

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

#### (2) BIS capital adequacy ratio (Preliminary)

(Consolidated)

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Total qualifying capital	<b>1,682,888</b>	1,684,267	1,732,290	-1,379	-49,401
Tier I	<b>1,061,806</b>	1,114,302	1,073,308	-52,495	-11,501
Unrealized loss on available-for-sale securities	<b>109,615</b>	-	-	109,615	109,615
Minority interest	<b>306,969</b>	237,254	209,362	69,714	97,606
Noncumulative preferred securities issued by overseas special purpose companies	<b>280,000</b>	210,000	183,000	70,000	97,000
Less: Goodwill equivalents	<b>106,980</b>	111,244	115,508	-4,264	-8,528
Less: Equivalent to 50% of the excess of expected loss over qualifying reserves	<b>7,865</b>	18,274	14,918	-10,409	-7,053
Tier II	<b>683,624</b>	669,262	760,940	14,361	-77,316
Upper Tier II	<b>302,738</b>	288,386	366,276	14,352	-63,537
45% of unrealized gain on available-for-sale securities	-	14,440	48,096	-14,440	-48,096
45% of revaluation reserve for land	<b>614</b>	725	771	-110	-156
General allowance for loan losses	<b>9,383</b>	7,069	3,213	2,314	6,170
Perpetual subordinated debt	<b>292,740</b>	266,150	314,195	26,590	-21,455
Lower Tier II	<b>380,885</b>	380,876	394,664	9	-13,778
Subordinated term debt and fixed-term preferred stock	<b>380,885</b>	380,876	394,664	9	-13,778
Less: Deduction (double gearing)	<b>62,542</b>	99,297	101,958	-36,754	-39,415
Total risk-weighted assets	<b>13,911,473</b>	14,738,329	14,625,988	-826,856	-714,515
Amount of credit risk-weighted assets	<b>12,943,870</b>	13,812,209	13,745,339	-868,338	-801,468
Amount of market risk equivalents	<b>284,753</b>	203,320	162,263	81,433	122,489
Amount of operational risk equivalents	<b>682,848</b>	722,800	718,385	-39,951	-35,536
BIS capital adequacy ratio	<b>12.09%</b>	11.42%	11.84%	0.67%	0.25%
(Tier I capital ratio)	<b>7.63%</b>	7.56%	7.33%	0.07%	0.30%

Note : Non-consolidated BIS capital adequacy ratio and Tier I capital ratio are 13.03% and 8.49%, respectively.

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

##### a. Measurement methodology

Grid Point Sensitivity Approach

##### b. Selected level of confidence or interest rate shock

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

##### c. Definition of core deposits

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

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

##### d. Outlier ratio

Outlier ratio was 7.89%, below the outlier level (more than 20%).

(Consolidated)

	Billions of Yen
	Mar. 2009 (Preliminary)
Total interest rate risk (A)	137.8
Tier I + Tier II (B)	1,745.4
Outlier ratio (A) / (B)	7.89%

**4. Forecast**

(1) Forecast for full FY2009

	Billions of Yen			
	Forecast for FY2009		FY2008	Change
	Full FY2009 (A)	1HFY2009	actual (B)	(A) - (B)
<b>(Consolidated)</b>				
Net business profits before credit costs	<b>175.0</b>	75.0	241.1	-66.1
Ordinary profit	<b>85.0</b>	30.0	29.6	55.3
Net income	<b>45.0</b>	17.0	7.9	37.0
<hr/>				
Dividend per common stock (Yen)	<b>10.00</b>	5.00	10.00	-
Consolidated dividend payout ratio (%)	<b>37.2%</b>	-----	210.7%	-173.5%
<hr/>				
<b>(Non-consolidated)</b>				
Net business profits before credit costs	<b>145.0</b>	65.0	201.0	-56.0
Total credit costs	<b>-50.0</b>	-25.0	-54.9	4.9
Other non-recurring profit	<b>-30.0</b>	-15.0	-107.1	77.1
Ordinary profit	<b>65.0</b>	25.0	37.9	27.0
Net income	<b>40.0</b>	15.0	38.9	1.0
<hr/>				
<b>(Total substantial credit costs)</b>				
Consolidated	<b>-80.0</b>	-40.0	-170.0	90.0
Non-consolidated	<b>-70.0</b>	-35.0	-121.3	51.3
Domestic	<b>-50.0</b>	-25.0	-48.1	-1.8
International	<b>-20.0</b>	-10.0	-73.1	53.1
Group companies	<b>-10.0</b>	-5.0	-48.7	38.7

Note: Forecast is subject to change

## 5. New Midterm Management Plan

So as to pursue a steady path of expansion, we have established a new midterm management plan (FY2009 to FY2011), which constitutes a revision of the previous plan formulated in 2008. This initiative is not a reaction to adverse business conditions, but motivated by the desire to take full advantage of the “new environment” surrounding us.

### I. Priority policies

#### (1) The strengthening of our Five Major Functions

The Five Major Functions of the Sumitomo Trust Group are namely,

- a. Investment Marketing: we provide services such as sales of investment products and investment consulting to meet the asset management and custody needs of both individual and corporate clients.
- b. Asset Management and Pensions: besides composing and managing the investment products sold to clients, we provide various services such as asset management, custody and actuarial services to pension funds.
- c. Asset Brokerage: regarding clients requirements such as asset restructuring, liability reduction or business reorganization, our services include real estate brokerage, liquidation and securitization of real estate, money claims and movable assets, and M&A mediation.
- d. Securities processing and agency operations: operation streamlining and agency needs are addressed through securities processing, stock transfer agency, overseas custody, will trust, estate settlement and other services.
- e. Banking business: we provide all services related to deposits, loans, cash transfers, and so on.

By putting our Five Major Functions to free and flexible use, we can pinpoint and meet the important needs of our clients within this “new environment”. At the same time, we can firmly solidify the foundations of our profitability without being strongly affected by external changes, as well as expand our market share and develop new markets to realize the stable expansion of our profits.

#### (2) Trust business expansion and promotion of new profit-generating businesses

Amid increasingly severe competition, we see the need to embark on a strategy of growth by pushing to the forefront our trust functions which are the exclusive strengths as well as the original source of profits and competitive power of the Sumitomo Trust Group. We have established the Business Research and Development Department specialized in the promotion of new trust products, services and businesses. We intend to position ourselves as the “Standard-bearer of Trust” in the Japanese financial world.

#### (3) Abolition of divisional management system, reinforcement of management and business infrastructure.

In order to generate overall solutions and foster proposal-making initiative through our “Five Major Functions”, we have abolished our divisional management system. We believe that doing so is the key to revolutionizing the way we develop new products, increase our abilities, promote business as well as renew our self-awareness as individuals across the entire company without the walls that separated hitherto our various business divisions.

In addition, our full attention goes to solidifying our management and business infrastructure to succeed in achieving sustained growth throughout the entire group, which should be realized by the reinforcement of the risk management system to strengthen our credit control via an enhanced credit approval and management process, as well as the aggressive pursuit of increased business efficiency, and the nurturing of “Sumitomo Trust human resources” blending overall and specialist capabilities.

### II. Midterm financial target, earnings plan

The implementation of our new midterm management plan will end in FY2011, and our projected financial targets for FY2011 are indicated below. Through this process, we aim to keep financial soundness more solidly and maintain the confidence of clients as the major Japanese bank specializing in a broad range of trust-related businesses.

(Consolidated)

	FY2011
BIS capital adequacy ratio	12% and above
Tier I ratio	8% and above
Return on shareholders' equity	7 - 9%
(Return on equity)	(8 - 10%)
Net business profit before credit costs	200.0 - 220.0 bn yen
Net income	80.0 - 100.0 bn yen

## II. Supplementary information

### 1. Outline of the financial results

#### (1) Major subsidiaries and affiliates

Company names	Capital	Primary business	STB Group's share in voting rights		Billions of Yen Net income		
			(STB's share in voting rights)		FY2008	FY2007	Change
<b>(Subsidiaries)</b>							
The Sumishin Shinko Co., Ltd.	Yen 50 mil.	Property maintenance	100	(100)	<b>0.2</b>	0.2	0.0
Sumishin Guaranty Co., Ltd.	Yen 300 mil.	Housing loan guaranty	100	(100)	<b>1.1</b>	2.5	-1.4
First Credit Corporation	Yen 13,500 mil.	Finance services	100	(100)	<b>-32.6</b>	11.8	-44.5
STB Leasing & Financial Group Co., Ltd. (*1)	Yen 50 mil.	Holding company of leasing subsidiaries	100	(100)	<b>5.8</b>	-0.0	5.8
STB Leasing Co., Ltd. (*2)	Yen 5,064 mil.	General leasing	100	(-)	<b>1.6</b>	9.9	-8.3
STB Wealth Partners Co., Ltd.	Yen 155 mil.	Consulting	100	(100)	<b>0.0</b>	0.0	-0.0
Life Housing Loan, Ltd.	Yen 1,000 mil.	Finance services	100	(100)	<b>2.0</b>	1.4	0.5
Sumishin Business Service Co., Ltd.	Yen 80 mil.	Agency services/temporary staffing/training services	100	(100)	<b>0.0</b>	-0.0	0.0
STB Real Estate Investment Management Co., Ltd.	Yen 300 mil.	Asset management	100	(100)	<b>0.4</b>	0.5	-0.1
Japan TA Solution, Ltd.	Yen 2,005 mil.	Development and management of systems/operations of entrusted data processing	80	(80)	<b>1.9</b>	0.6	1.2
Sumishin Matsushita Financial Services Co., Ltd.	Yen 20,520 mil.	General leasing/credit cards	66	(-)	<b>2.9</b>	2.4	0.5
Sumishin Card Co., Ltd.	Yen 50 mil.	Credit cards	95	(50)	<b>0.0</b>	0.3	-0.3
STB Investment Corporation	Yen 35 mil.	Venture capital	100	(40)	<b>0.3</b>	0.0	0.2
Sumishin Information Service Co., Ltd.	Yen 100 mil.	Information technology/commissioned accounting operation	100	(35)	<b>0.4</b>	0.4	-0.0
STB Asset Management Co., Ltd.	Yen 300 mil.	Asset management	100	(30)	<b>0.5</b>	1.2	-0.6
STB Research Institute Co., Ltd.	Yen 300 mil.	Research and consulting/asset management	100	(29.8)	<b>0.0</b>	0.0	-0.0
Sumishin Realty Co., Ltd.	Yen 300 mil.	Residential brokerage	100	(5)	<b>-0.0</b>	1.0	-1.1
The Sumitomo Trust Finance (H.K.) Ltd.	USD 45 mil.	Banking and security services	100	(100)	<b>0.6</b>	0.4	0.2
Sumitomo Trust and Banking (Luxembourg) S.A.	USD 30 mil.	Banking, security and trust services	100	(100)	<b>0.3</b>	0.4	-0.0
Sumitomo Trust and Banking Co. (U.S.A.)	USD 56 mil.	Banking and trust services	100	(100)	<b>2.5</b>	2.9	-0.3
STB Omega Investment Ltd.	USD 60 mil.	Finance services	75	(75)	<b>-2.2</b>	-3.6	1.4
STB Preferred Capital (Cayman) Ltd.	Yen 85,000 mil.	Finance services	100	(100)	<b>3.3</b>	3.1	0.2
STB Preferred Capital 2 (Cayman) Ltd.	Yen 51,500 mil.	Finance services	100	(100)	<b>1.4</b>	1.4	-0.0
STB Preferred Capital 3 (Cayman) Ltd.	Yen 51,500 mil.	Finance services	100	(100)	<b>1.4</b>	1.3	0.1
STB Preferred Capital 4 (Cayman) Ltd. (*3)	Yen 111,600 mil.	Finance services	100	(100)	<b>2.7</b>	-----	-----
STB Preferred Capital 5 (Cayman) Ltd. (*4)	Yen 70,900 mil.	Finance services	100	(100)	<b>0.4</b>	-----	-----
<b>(Affiliates)</b>							
SBI Sumishin Net Bank, Ltd. (*5)	Yen 22,500 mil.	Banking	50	(50)	<b>-3.6</b>	-4.7	1.0
Japan Pension Operation Service, Ltd.	Yen 1,500 mil.	Pension plan administration services	50	(50)	<b>0.0</b>	1.0	-0.9
BUSINEXT CORPORATION	Yen 9,000 mil.	Finance services	40	(40)	<b>0.3</b>	0.1	0.2
Sumishin Life Card Company, Limited (*6)	Yen 255 mil.	Credit cards	40	(40)	<b>0.0</b>	0.0	0.0
Human Resource Management & Consulting Co., Ltd.	Yen 519 mil.	Employees data administration	38.9	(38.9)	<b>0.0</b>	0.1	-0.0
Top REIT Asset Management Co., Ltd.	Yen 300 mil.	Investment company (Asset management)	38	(38)	<b>0.2</b>	0.3	-0.0
Japan Trustee Services Bank, Ltd.	Yen 51,000 mil.	Trust and banking	33.3	(33.3)	<b>0.4</b>	1.1	-0.6
Japan Trustee Information Systems, Ltd.	Yen 300 mil.	Information technology/commissioned accounting operation	33.3	(5)	<b>0.1</b>	0.1	0.0

(\*1) STB Leasing & Financial Group Co., Ltd. was established on March 31, 2008.

(\*2) Effect of intra-group restructuring (7.0 billion yen) is included in the financial results of FY2007 of STB Leasing Co., Ltd.

(\*3) STB Preferred Capital 4 (Cayman) Ltd. is not included in financial results of FY2007. (Newly consolidated in May 2008)

(\*4) STB Preferred Capital 5 (Cayman) Ltd. is not included in financial results of FY2007. (Newly consolidated in November 2008)

(\*5) Numbers of the FY2007 for SBI Sumishin Net Bank, Ltd. are the results after its commencement (September 24, 2007 to March 31, 2008).

(\*6) Sumishin Life Card Company, Limited has been changed from subsidiary company to affiliate (subject to equity method).

## 2. Assets and liabilities

### (1) Loans

#### 1) 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. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Percentage to total loan balance	47.3	49.2	50.5	-1.9	-3.2
Loan balance	5,210,944	5,195,102	5,336,715	15,841	-125,771

#### 2) Consumer loans

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

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Residential mortgage loans	1,591,868	1,558,585	1,550,336	33,282	41,532
Other consumer loans	365,572	372,287	376,786	-6,715	-11,214
Total	1,957,440	1,930,872	1,927,122	26,567	30,317

#### 3) Real estate non recourse loans

(Banking a/c) (Non-consolidated)

	Billions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Loan balance	1,234.6	1,189.6	1,152.3	44.9	82.3

Note: Loans to REIT (282.0 bil.) and investment in CMBS (46.6 bil.) are included (Mar. 2009).

#### 4) Overseas loan by borrowers' location

(Non-consolidated)

	Millions of Yen								
	Mar. 2009			Mar. 2008		Change			
	Total	Japanese affiliates	Non-Japanese	Total	Japanese affiliates	Total	Japanese affiliates		
North America	373,084	208,484	164,599	308,141	177,538	64,942	30,946		
Europe	172,136	114,393	57,743	165,127	92,540	7,009	21,853		
Asia	307,890	262,951	44,939	318,188	277,028	-10,298	-14,077		
Total	1,126,696	817,968	308,727	1,081,107	753,463	45,588	64,505		

#### 5) Loans by industry

(Non-consolidated)

	Millions of Yen							
	Mar. 2009				Mar. 2008			
	Banking a/c	Trust a/c (*)	Banking + Trust a/c	Change from Mar. 2008	Banking a/c	Trust a/c (*)	Banking + Trust a/c	
Domestic Branches (excluding offshore)	10,731,661	279,719	11,011,380	444,480	10,237,987	328,913	10,566,900	
Manufacturing	1,800,786	15,698	1,816,484	454,663	1,348,600	13,220	1,361,821	
Agriculture, forestry, fishing, mining	24,312	-	24,312	5,010	19,302	-	19,302	
Construction	126,605	-	126,605	4,991	120,826	787	121,614	
Energy and utilities	145,714	680	146,395	-15,969	160,456	1,908	162,364	
Communication	154,773	-	154,773	12,158	142,607	7	142,614	
Transportation	715,745	5,904	721,650	57,559	659,084	5,005	664,090	
Wholesale and retail	952,787	3,359	956,146	44,989	910,224	932	911,156	
Finance and insurance	1,668,862	33,000	1,701,862	-248,541	1,917,404	33,000	1,950,404	
Real estate	1,715,788	7,065	1,722,853	98,139	1,617,264	7,448	1,624,713	
Various services	1,149,849	84,200	1,234,049	-71,298	1,193,784	111,562	1,305,347	
Others	2,276,435	129,811	2,406,246	102,776	2,148,430	155,040	2,303,470	
Overseas branches and offshore	757,025	-	757,025	-38,231	795,256	-	795,256	
Total	11,488,687	279,719	11,768,406	406,248	11,033,244	328,913	11,362,157	

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



## (2) Assets classified under the Financial Reconstruction Law

(After partial direct written-offs)

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

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Assets classified under the Financial Reconstruction Law (a)	<b>101,944</b>	55,502	91,676	46,442	10,268
Loans in bankrupt and practically bankrupt	<b>27,795</b>	19,434	4,978	8,361	22,816
Doubtful loans	<b>59,692</b>	14,205	14,490	45,486	45,202
Substandard loans (b)	<b>14,456</b>	21,862	72,206	-7,405	-57,750
Ordinary assets	<b>12,098,099</b>	11,760,175	11,771,057	337,923	327,042
Loans to substandard debtors (excluding Substandard loans) (c)	<b>13,168</b>	3,294	4,080	9,873	9,087
Loans to special mention debtors (excluding (b) and (c))	<b>823,385</b>	772,748	737,722	50,637	85,663
Loans to ordinary debtors	<b>11,261,545</b>	10,984,132	11,029,253	277,413	232,292
Total loan balance (d)	<b>12,200,044</b>	11,815,678	11,862,733	384,365	337,310
Ratio to total loan balance (a) / (d)	<b>0.8%</b>	0.5%	0.8%	0.3%	0.0%
Loans to substandard debtors (b)+(c)	<b>27,624</b>	25,157	76,287	2,467	-48,663

Note: Partial direct written-off: Mar. 2009: 28,877 million yen, Sep. 2008: 25,332 million yen, Mar. 2008: 24,724 million yen

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

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Assets classified under the Financial Reconstruction Law (e)	<b>14,496</b>	14,545	15,402	-48	-905
Loans in bankrupt and practically bankrupt	<b>174</b>	206	1,876	-31	-1,701
Doubtful loans	<b>14,055</b>	14,063	12,780	-8	1,275
Substandard loans (f)	<b>266</b>	275	745	-9	-479
Ordinary assets	<b>265,222</b>	284,588	313,511	-19,366	-48,289
Loans to substandard debtors (excluding Substandard loans) (g)	<b>47</b>	49	51	-1	-3
Loans to special mention debtors (excluding (f) and (g))	<b>8,747</b>	9,289	9,467	-541	-719
Loans to ordinary debtors	<b>256,426</b>	275,249	303,992	-18,822	-47,566
Total loan balance (h)	<b>279,719</b>	299,134	328,913	-19,415	-49,194
Ratio to total loan balance (e) / (h)	<b>5.2%</b>	4.9%	4.7%	0.3%	0.5%
Loans to substandard debtors (f)+(g)	<b>314</b>	325	797	-10	-482

## 3) Asset classified under the Financial Reconstruction Law as of Mar. 31, 2009 (Non-consolidated)

(Banking a/c)

(in millions of Yen)

	Balance		Collateral/Reserves		Reserve ratio
		Coverage ratio			
Loans in bankrupt/ practically bankrupt (A)	(a)	100%	Specific allowance for loan losses (b)	10,862	100% (100%)
	27,795 (4,978)	(100%)	Guarantee and collateral (c)	16,933	(b) / ( (a)-(c) )
Doubtful loans (B)	(d)	85%	Uncovered	8,872	79%
	59,692 (14,490)	(76%)	Specific allowance for loan losses (e)	34,306	(62%)
			Guarantee and collateral (f)	16,514	(e) / ( (d)-(f) )
Substandard loans (C)	(g)	65%	Uncovered	5,017	15%
	14,456 (72,206)	(77%)	General allowance for loan losses (h)	949	(48%)
			Guarantee and collateral (i)	8,490	(h) / ( (g)-(i) )
Ordinary assets	12,098,099 (11,771,057)		General allowance for loan losses	78,483	
			Allowance for loan losses in specified foreign countries	-	
Figures are after partial direct written-off of 28,877 million yen.					
Total loan balance	12,200,044 (11,862,733)		Total of (A), (B) and (C)	101,944 (91,676)	Ratio to total loan balance 0.8%

(Principal guaranteed trust a/c)

(in millions of Yen)

	Balance		Collateral/Reserves		Reserves for principal
		Coverage Ratio			
Loans in bankrupt/ practically bankrupt (D)	174 (1,876)	100% (100%)	Guarantee and collateral	174	Reserves for loan trust 1,011
Doubtful loans (E)	14,055 (12,780)	100% (100%)	Guarantee and collateral	14,055	Reserves for JOMT (Jointly-operated money trust) 631
Substandard loans (F)	266 (745)	100% (100%)	Guarantee and collateral	266	
Ordinary assets	265,222 (313,511)				
Total loan balance	279,719 (328,913)		Total of (D), (E) and (F)	14,496 (15,402)	Ratio to total loan balance 5.2%

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

Grand total	12,479,763 (12,191,646)	Total of (A),(B),(C),(D),(E) and (F)	116,441 (107,078)	Ratio to grand total loan balance 0.9%
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Note: Numbers in parenthesis are as of Mar. 2008

## 4) Assets classified under the Financial Reconstruction Law by industry

(Non-consolidated)

	Millions of Yen						
	Mar. 2009				Mar. 2008		
	Banking a/c	Trust a/c (*)	Banking + Trust a/c	Change from Mar. 2008	Banking a/c	Trust a/c (*)	Banking + Trust a/c
Domestic Branches (excluding offshore)	97,661	14,496	112,158	49,462	47,293	15,402	62,695
Manufacturing	5,560	-	5,560	-175	5,735	-	5,735
Agriculture, forestry, fishing, mining	519	-	519	519	-	-	-
Construction	6,379	-	6,379	4,996	1,383	-	1,383
Energy and utilities	-	-	-	-	-	-	-
Communication	27,045	-	27,045	26,985	60	-	60
Transportation	-	-	-	-	-	-	-
Wholesale and retail	1,123	-	1,123	-20,231	21,355	-	21,355
Finance and insurance	75	-	75	75	-	-	-
Real estate	36,287	-	36,287	30,023	6,263	-	6,263
Various services	3,087	-	3,087	87	2,999	-	2,999
Others	17,582	14,496	32,079	7,181	9,495	15,402	24,898
Overseas branches and offshore	4,283	-	4,283	-40,099	44,382	-	44,382
Total	101,944	14,496	116,441	9,363	91,676	15,402	107,078

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

5) Allowance for loan losses  
Banking account (Consolidated)

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Allowance for loan losses	<b>166,971</b>	112,957	106,683	54,013	60,287
General allowance for loan losses	<b>92,124</b>	85,731	93,609	6,393	-1,484
Specific allowance for loan losses	<b>74,846</b>	27,226	13,074	47,620	61,772

Banking account (Non-consolidated)

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Allowance for loan losses	<b>136,880</b>	94,987	96,799	41,892	40,081
General allowance for loan losses	<b>80,813</b>	76,959	88,437	3,854	-7,624
Specific allowance for loan losses	<b>56,066</b>	18,028	8,361	38,038	47,705

Principal guaranteed trust a/c (Non-consolidated)

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Reserves for loan trust	<b>1,011</b>	1,417	1,839	-405	-827
Reserves for JOMT (jointly-operated money trust)	<b>631</b>	330	924	300	-293
Total	<b>1,642</b>	1,747	2,763	-105	-1,121

6) Reserve ratio for loans to special mention/ordinary debtors (general allowance for loan losses)  
Banking account (Non-consolidated)

	Percentage points				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Special mention	<b>5.9</b>	7.6	8.9	-1.7	-3.0
Substandard debtors	<b>8.3</b>	8.2	20.3	0.1	-12.0
Against uncovered portion	<b>28.8</b>	38.4	61.8	-9.6	-33.0
Other than substandard debtors	<b>5.8</b>	7.6	7.7	-1.8	-1.9
Ordinary debtors	<b>0.2</b>	0.1	0.1	0.1	0.1

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

**(3) Final disposal of non-performing loans**

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

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

**Total**

	Billions of Yen									
	Before Mar. 2005	Sep. 2005	Mar. 2006	Sep. 2006	Mar. 2007	Sep. 2007	Mar. 2008	Sep. 2008	Mar. 2009	Change from Sep. 2008
<b>Loans in bankrupt/practically bankrupt</b>	<b>137.5</b>	<b>42.2</b>	<b>7.3</b>	<b>6.0</b>	<b>6.5</b>	<b>5.5</b>	<b>6.9</b>	<b>19.6</b>	<b>28.0</b>	<b>8.3</b>
<b>Doubtful loans</b>	<b>987.7</b>	<b>20.6</b>	<b>19.3</b>	<b>23.4</b>	<b>58.5</b>	<b>59.8</b>	<b>27.3</b>	<b>28.3</b>	<b>73.7</b>	<b>45.5</b>
<b>Total</b>	<b>1,125.2</b>	<b>62.9</b>	<b>26.6</b>	<b>29.4</b>	<b>65.0</b>	<b>65.3</b>	<b>34.1</b>	<b>47.9</b>	<b>101.7</b>	<b>53.8</b>
Loans outstanding in doubtful or worse categories as of Mar. 2005 and disposal thereafter										
Loans in bankrupt/practically bankrupt	137.5	40.8	6.4	4.5	4.0	3.9	3.3	1.2	1.2	-0.0
Doubtful loans	987.7	15.6	8.9	7.9	3.4	1.5	1.1	2.1	1.7	-0.3
Total	1,125.2	56.4	15.3	12.3	7.3	5.4	4.4	3.3	3.0	-0.4
New entry to doubtful or worse categories during 1HFY2005 and disposal thereafter										
Loans in bankrupt/practically bankrupt		1.4	0.3	0.4	0.4	0.3	0.3	0.3	0.2	-0.1
Doubtful loans		5.1	3.3	2.7	2.6	2.2	1.6	1.3	1.3	-0.1
Total		6.4	3.6	3.1	2.9	2.5	1.9	1.6	1.5	-0.1
New entry to doubtful or worse categories during 2HFY2005 and disposal thereafter										
Loans in bankrupt/practically bankrupt			0.6	0.4	0.2	0.1	0.0	0.1	0.0	-0.0
Doubtful loans			7.0	3.3	2.5	2.3	2.1	2.0	1.9	-0.1
Total			7.7	3.7	2.6	2.4	2.2	2.0	1.9	-0.1
New entry to doubtful or worse categories during 1HFY2006 and disposal thereafter										
Loans in bankrupt/practically bankrupt				0.7	0.4	0.2	0.1	0.1	0.0	-0.0
Doubtful loans				9.6	1.9	0.9	0.3	0.3	0.2	-0.1
Total				10.3	2.3	1.1	0.4	0.4	0.2	-0.1
New entry to doubtful or worse categories during 2HFY2006 and disposal thereafter										
Loans in bankrupt/practically bankrupt					1.6	0.4	0.1	0.4	0.4	0.0
Doubtful loans					48.2	43.6	0.8	0.5	0.4	-0.1
Total					49.8	44.0	1.0	0.8	0.7	-0.1
New entry to doubtful or worse categories during 1HFY2007 and disposal thereafter										
Loans in bankrupt/practically bankrupt						0.6	0.4	0.5	0.1	-0.3
Doubtful loans						9.4	7.6	5.1	4.8	-0.3
Total						10.0	8.1	5.6	4.9	-0.6
New entry to doubtful or worse categories during 2HFY2007 and disposal thereafter										
Loans in bankrupt/practically bankrupt							2.5	0.3	0.3	-0.0
Doubtful loans							13.6	13.0	12.6	-0.4
Total							16.1	13.3	12.8	-0.5
New entry to doubtful or worse categories during 1HFY2008 and disposal thereafter										
Loans in bankrupt/practically bankrupt								16.8	13.9	-3.0
Doubtful loans								4.0	2.4	-1.6
Total								20.8	16.2	-4.6
New entry to doubtful or worse categories during 2HFY2008 and disposal thereafter										
Loans in bankrupt/practically bankrupt									11.8	11.8
Doubtful loans									48.6	48.6
Total									60.3	60.3

**2) Progress of final disposal**

(Non-consolidated)

(in Billions of Yen)

Period	Primary amount	Amount as of 2HFY2008	Quasi final disposal or in the process of final disposal	Amount of final disposal during 2HFY2008	Ratio of final disposal progression (%)	Adjusted ratio of final disposal progression
						(*) (%)
Before 2HFY2004	1,125.2	3.0	0.7	0.4	99.7	99.8
1HFY2005	6.4	1.5	0.2	0.1	76.8	80.1
2HFY2005	7.7	1.9	-	0.1	75.1	75.1
1HFY2006	10.3	0.2	0.0	0.1	97.6	97.7
2HFY2006	49.8	0.7	0.0	0.1	98.5	98.6
1HFY2007	10.0	4.9	0.0	0.6	50.4	50.7
2HFY2007	16.1	12.8	0.1	0.5	20.5	20.9
1HFY2008	20.8	16.2	6.3	4.6	22.1	52.2
2HFY2008	60.3	60.3	0.1	-	-	0.2
<b>Total</b>		<b>101.7</b>	<b>7.4</b>	<b>6.5</b>		

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

## (4) Deferred tax assets

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

(Consolidated)

	Billions of Yen	
	Mar. 2009	Mar. 2008
Deferred tax assets (1)	207.7	83.0
Allowance for loan losses (including written-off of loans)	77.8	42.6
Valuation difference on available-for-sale securities	67.0	-
Devaluation of securities	66.9	52.4
Provision for retirement benefits	16.9	15.8
Loss carry forwards	3.3	7.1
Others	11.4	31.7
Valuation allowance	-28.3	-13.4
Offset with deferred tax liabilities	-7.4	-53.2
Deferred tax liabilities (2)	0.0	0.1
Valuation difference on available-for-sale securities	0.0	45.2
Others	7.4	8.2
Offset with deferred tax assets	-7.4	-53.2
Net deferred tax assets (1)-(2)	207.7	82.8
Percentage to Tier I	19.6%	7.7%
Tier I	1,061.8	1,073.3

(Non-consolidated)

	Billions of Yen	
	Mar. 2009	Mar. 2008
Deferred tax assets (1)	191.2	63.6
Allowance for loan losses (including written-off of loans)	53.5	36.3
Valuation difference on available-for-sale securities	66.9	-
Devaluation of securities	66.8	52.4
Provision for retirement benefits	13.3	11.8
Others	3.0	22.3
Valuation allowance	-8.7	-8.4
Offset with deferred tax liabilities	-3.6	-50.8
Deferred tax liabilities (2)	-	-
Valuation difference on available-for-sale securities	-	45.0
Others	3.6	5.7
Offset with deferred tax assets	-3.6	-50.8
Net deferred tax assets (1)-(2)	191.2	63.6
Percentage to Tier I	16.9%	5.7%
Tier I	1,129.4	1,109.2

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

Amount of loss carried forward has been used up in FY2006.

Thus, the item 2 of the practical guideline, " Treatment for audit of recoverability of deferred tax assets"(\*) is applicable.

And net deferred tax assets are posted based on the tax planning with limits of not more than the total future taxable income.

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

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

	Billions of Yen				
	FY2008	FY2007	FY2006	FY2005	FY2004
Taxable income before deduction of loss carry forwards	84.5	144.6	199.2	93.6	103.2
Net business profit before credit costs	201.0	173.8	175.9	164.6	148.2

(5) Retirement benefits  
(Consolidated)

		Millions of Yen		
		Mar. 2009	Mar. 2008	Change
Projected benefit obligation	(A)	<b>238,929</b>	235,645	3,284
(Discount rate)		<b>(2.0%)</b>	(2.0%)	(-%)
Plan assets	(B)	<b>227,146</b>	237,143	-9,997
Provision for retirement benefits	(C)	<b>8,539</b>	9,636	-1,097
Advanced benefit paid	(D)	<b>118,428</b>	79,172	39,256
Unrecognized net prior service cost	(E)	<b>1,043</b>	1,354	-310
Unrecognized net actuarial loss	(A-B-C+D-E)	<b>120,629</b>	66,683	53,946

  

		Millions of Yen		
		FY2008	FY2007	Change
Retirement benefit expenses		<b>-9,977</b>	-942	-9,035
Gains on return of retirement benefit trusts		-	9,969	-9,969
Gains on securities contributed to employee retirement benefit trust		<b>21,538</b>	-	21,538

## (Non-consolidated)

		Millions of Yen		
		Mar. 2009	Mar. 2008	Change
Projected benefit obligation	(A)	<b>220,244</b>	216,455	3,788
(Discount rate)		<b>(2.0%)</b>	(2.0%)	(-%)
Plan assets	(B)	<b>216,413</b>	226,943	-10,530
Provision for retirement benefits	(C)	<b>214</b>	212	1
Advanced benefit paid	(D)	<b>118,317</b>	79,085	39,232
Unrecognized net prior service cost	(E)	<b>1,201</b>	1,595	-393
Unrecognized net actuarial loss	(A-B-C+D-E)	<b>120,732</b>	66,788	53,944

  

		Millions of Yen		
		FY2008	FY2007	Change
Retirement benefit expenses		<b>-7,657</b>	429	-8,087
Service cost-benefits earned		<b>-4,953</b>	-5,167	214
Interest cost on projected benefit obligation		<b>-4,323</b>	-4,230	-93
Expected return on plan assets		<b>11,645</b>	12,205	-560
Amortization of prior service cost		<b>-393</b>	-352	-41
Amortization of net actuarial losses		<b>-9,507</b>	-2,571	-6,935
Others (additional benefit at retirement, etc)		<b>-125</b>	545	-670
Gains on return of retirement benefit trusts		-	9,969	-9,969
Gains on securities contributed to employee retirement benefit trust		<b>21,538</b>	-	21,538

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

	Millions of Yen				
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008
Loans and bills discounted	369,126	381,818	447,059	-12,692	-77,933
Securities	351,435	7,325,120	11,508,943	-6,973,684	-11,157,507
Money held in trust	65,304,242	61,964,219	61,015,610	3,340,023	4,288,631
Securities held in custody accounts	420,212	440,051	434,419	-19,838	-14,207
Money claims	9,524,281	9,391,818	8,908,810	132,462	615,470
Tangible fixed assets	4,485,986	4,396,803	4,343,235	89,182	142,750
Intangible fixed assets	37,706	34,175	33,370	3,530	4,335
Other claims	1,505,504	2,596,617	2,822,637	-1,091,113	-1,317,133
Call loans	32,700	4,700	45,100	28,000	-12,400
Loans to banking account	547,115	644,661	747,554	-97,545	-200,439
Cash and due from banks	192,657	213,755	227,355	-21,098	-34,697
<b>Total assets</b>	<b>82,770,968</b>	<b>87,393,741</b>	<b>90,534,098</b>	<b>-4,622,772</b>	<b>-7,763,129</b>
Money trusts	13,679,006	20,927,526	25,545,526	-7,248,520	-11,866,520
Pension trusts	5,999,483	6,510,079	7,100,851	-510,596	-1,101,368
Property formation benefit trusts	9,268	9,107	7,203	161	2,064
Loan trusts	161,907	206,543	278,182	-44,635	-116,275
Securities investment trusts	24,659,872	22,537,130	21,484,220	2,122,742	3,175,651
Money entrusted, other than money trusts	2,439,777	2,912,094	3,042,883	-472,317	-603,106
Securities trusts	17,200,893	16,514,452	15,885,157	686,441	1,315,736
Money claim trusts	9,271,464	9,076,530	8,638,407	194,934	633,057
Land and fixtures trusts	51,863	56,377	149,581	-4,514	-97,718
Composite trusts	9,297,432	8,643,900	8,402,083	653,531	895,349
Other trusts	0	0	0	-	-
<b>Total liabilities</b>	<b>82,770,968</b>	<b>87,393,741</b>	<b>90,534,098</b>	<b>-4,622,772</b>	<b>-7,763,129</b>

The amount of re-trusted assets (Mar. 2009: 65,262,953 million yen) to Japan Trustee Services Bank, Ltd. as a securities processing is included in Money held in trust.

## (7) Breakdown of principal guaranteed trust a/c

	Millions of Yen					
	Mar. 2009	Sep. 2008	Mar. 2008	Change from Sep. 2008	Change from Mar. 2008	
Money trusts	Loans and bills discounted	279,719	299,134	328,913	-19,415	-49,194
	Securities	48	48	9,796	-	-9,747
	Others	328,380	368,782	359,544	-40,402	-31,164
	<b>Total assets</b>	<b>608,148</b>	<b>667,965</b>	<b>698,254</b>	<b>-59,817</b>	<b>-90,105</b>
	Principal	607,193	667,174	696,894	-59,980	-89,701
	Reserves for JOMT (Jointly-operated money trust)	631	330	924	300	-293
	Others	323	460	434	-137	-111
	<b>Total liabilities</b>	<b>608,148</b>	<b>667,965</b>	<b>698,254</b>	<b>-59,817</b>	<b>-90,105</b>
Loan trusts	Loans and bills discounted	-	-	-	-	-
	Securities	-	-	-	-	-
	Others	161,923	206,562	288,201	-44,638	-126,278
	<b>Total assets</b>	<b>161,923</b>	<b>206,562</b>	<b>288,201</b>	<b>-44,638</b>	<b>-126,278</b>
	Principal	159,492	203,534	284,609	-44,041	-125,116
	Reserves for loan trust	1,011	1,417	1,839	-405	-827
	Others	1,419	1,610	1,752	-190	-333
<b>Total liabilities</b>	<b>161,923</b>	<b>206,562</b>	<b>288,201</b>	<b>-44,638</b>	<b>-126,278</b>	