

Review of Operations:

Real Estate Business



We provide a full line of real estate services from brokerage to securitization and investment management.

Akihiko Shirayama
Officer in charge of Real Estate Business
Sumitomo Mitsui Trust Bank, Limited

1. Business Outline

Our Real Estate Business has a large number of real estate specialists, such as real estate appraisers and first-class registered architects, providing a full line of services from brokerage to securitization and investment management in response to the real estate-related transaction needs of a wide range of clients, including large corporations, domestic and foreign investors, and individuals.

In our real estate transaction services covering real estate brokerage, consulting and real estate securitization arrangement, we provide distinctive services that are unlike those of other companies through consulting based on wide information networks and significant expertise. In our real estate management and administration covering management of J-REITs (Japanese Real Estate Investment Trusts) and private real estate funds, we draw on our real estate information gathering capabilities and critical appraisal skills to provide investors with information and propose products. In our real estate infrastructure services, which include real estate appraisal services and real estate trusts, we have been streamlining our operations to improve the operational structure and provide high-quality services. Through the flexible coordination of these services, all possible opportunities can be explored.

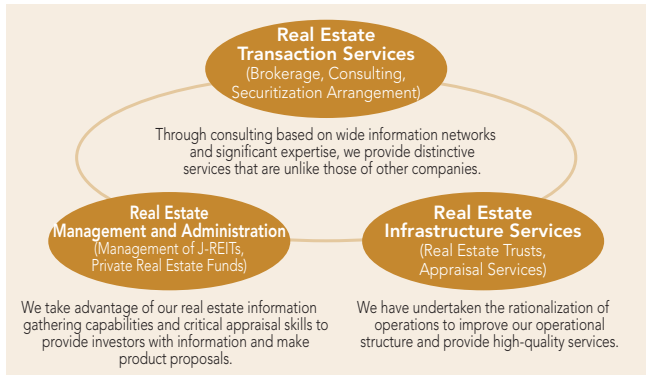
We are actively working to develop the environmentally friendly property business, which is expected to grow in tandem with the tightening of environmental regulations

pertaining to real estate. Additionally, we are making every effort to globalize our Real Estate Business in order to meet the needs of overseas investors seeking to invest in Japanese real estate and the needs of domestic clients seeking to expand overseas.

Furthermore, we deploy highly skilled personnel with expertise in real estate in the major offices of the Retail Financial Services Business and the Wholesale Financial Services Business, and encourages these units to work in collaboration with the Real Estate Business.

We will continue our efforts to provide clients with total solutions that only a trust bank can offer, and instill in them a sense of security and trust.

• Real Estate Business Model



2. Product and Service Outline

Real Estate Transaction Services

Real Estate Brokerage

We take advantage of our vast experience and an extensive network to implement various procedures, ranging from survey of properties to price negotiations and the transfer of ownership for a wide range of properties, including office and condominium sites, factories, and commercial facilities. Sumitomo Mitsui Trust Realty Co., Ltd., under the umbrella of SuMi TRUST Bank, takes the central role in real estate brokerage for housing for individuals and small-sized commercial properties.

In addition, we provide broad-based support for intermediation for leasing as well as the buying and selling of real estate, including negotiations for leasing conditions, simulation of relocation costs and the introduction of independently sourced information on tenants and properties.

Consulting on Effective Use of Real Estate and in Construction

We take maximum advantage of know-how accumulated in overall real estate operations to provide various real estate consulting services to help clients effectively utilize their land and buildings.

In our CRE (Corporate Real Estate) consulting service, we review real estate property holdings and utilization strategies that are consistent with clients' corporate strategies, and analyze client-owned properties to propose strategies for making the most efficient real estate investments in order to enhance corporate value.

We are also making active efforts to provide comprehensive construction consulting services, ranging from the proposal stage of project planning to post-construction building management, as well as consulting services on environmentally friendly building construction that cover energy conservation, landscape considerations, ways for extending the life of a building, and the incorporation of recycling systems.

Overseas Real Estate Business

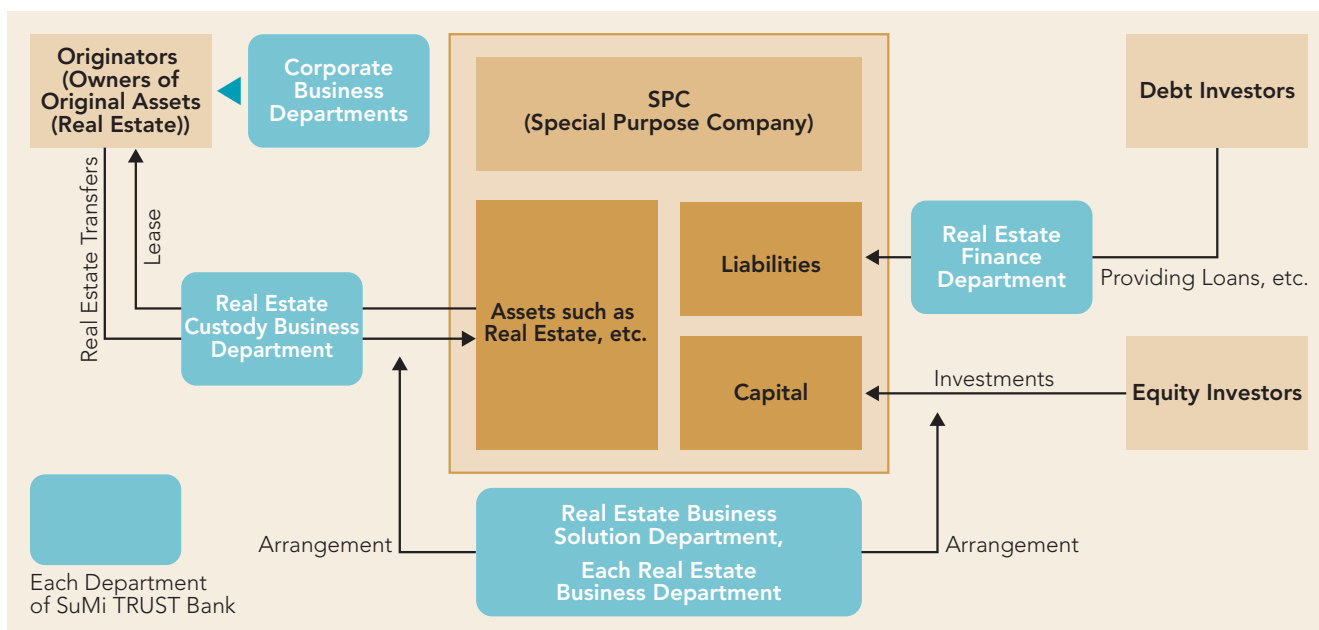
We engage in the Overseas Real Estate Business. Capitalizing on our overseas network, we provide arrangements for property investment in Japan for overseas clients, intermediation of property investments as well as business properties overseas for Japanese clients, and intermediation support to clients in need of renting their business premises overseas.

Furthermore, we actively engage in the Asset Management Business involving real estate investments by overseas customers, by utilizing asset management capabilities unique to a trust bank.

Real Estate Securitization Arrangement

Real estate securitization has been widely used as a real estate investment tool as part of a company's financial strategies. As a pioneer that has been actively involved in real estate securitization since the early stage of securitization, SuMi TRUST Bank provides one-stop real estate securitization services covering the identification of client needs; the evaluation of real estate properties; arrangement (coordinating related parties and building a structure for securitization); fund-raising for equity-tranche; fund-raising for debt-tranche; and real estate management and operation after securitization.

• Real Estate Securitization Schemes and the Role of SuMi TRUST Bank



Real Estate Management and Administration

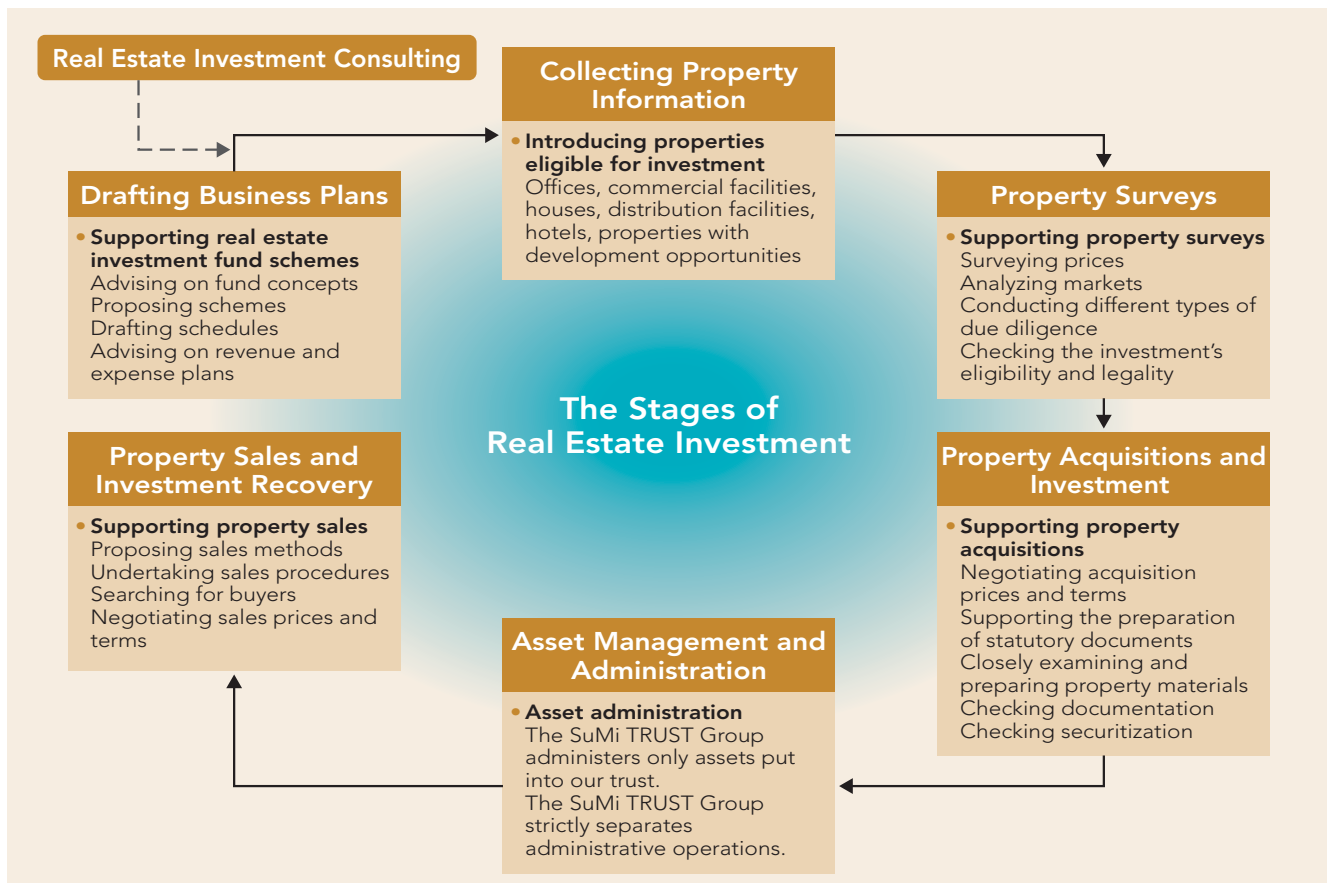
Real Estate Investment Advisory Services

We are developing business related to real estate investment advisory services. This includes providing investment information services for investors, as well as determining the composition of and offering real estate investment products.

We provide investors with comprehensive management services combining various real estate-related functions, and with information and investment advice utilizing our analytical capabilities regarding investment market trends, and the investment values and risks of structured real estate finance products.

Regarding J-REITs (Japanese Real Estate Investment Trusts), we provide advice on the acquisition and management of assets for investment, and support stable growth of J-REIT investment companies. We not only undertake general administrative services and asset custody procedures on behalf of the client, but also provide various support services based on past achievements and the know-how of SuMi TRUST Bank, which has developed REIT products serving as the sponsor.

• Flow of Real Estate Investment Consulting Services

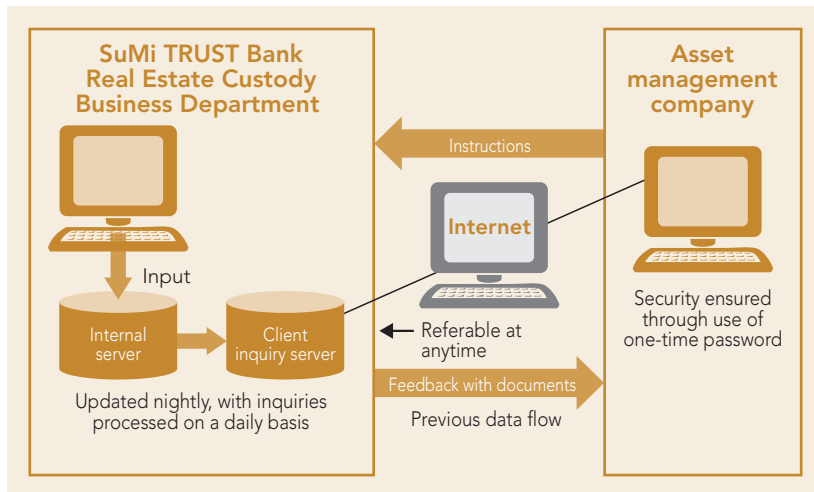


Real Estate Infrastructure Services

Real Estate Trusts

In order to meet the growing need for trust services in the real estate securitization market, we are promoting the rationalization of operations using a real estate total management system ("SMART") and enhancing our business structure. We have also been improving computer system functions to meet client needs, providing a service that enables investors and other clients to make inquiries about accounting information via the Internet.

- **Real Estate Total Management System's Internet Functions (for External Inquiries)**



Real Estate Appraisal and Assessment

Accompanying such developments as the convergence of Japanese accounting standards with international standards, an acceleration in corporate mergers and acquisitions, and the expansion of CRE (Corporate Real Estate) strategies and real estate securitization, there is an ever growing need for real estate appraisal and assessment services that allow clients to know the value of their real estate properties in the first stage when considering real estate property holding and utilization strategies. The SuMi TRUST Group has earned high marks as an authoritative real estate appraisal agency with a large number of well-experienced real estate appraisers who have won a large number of appraisal and assessment orders from many private sector companies and public organizations. We will continue to take maximum advantage of our accumulated expertise to provide high-quality appraisal and assessment services.

3. Group Companies

Sumitomo Mitsui Trust Realty Co., Ltd.

Sumitomo Mitsui Trust Realty provides not only brokerage services for the sale and purchase of residential properties, including land, single-family houses and condominiums, but also various services regarding real estate transactions for investment and business purposes utilizing SuMi TRUST Group's nationwide network. The company promptly responds to inquiries about the effective utilization, inheritance and donation of real estate, and also about housing loans.

Sumitomo Mitsui Trust Real Estate Investment Management Co., Ltd.

Sumitomo Mitsui Trust Real Estate Investment Management plays a role in SuMi TRUST Group's asset management business as a real estate investment management company, managing private real estate funds for investors, mainly institutional investors. Taking advantage of SuMi TRUST Group's comprehensive real estate capabilities, namely its powerful information network, real estate brokerage function, real estate trust function, and professional construction consulting and due diligence functions, the company provides fund management and asset management services.

Top REIT Asset Management Co., Ltd.

Top REIT Asset Management is a J-REIT (Japanese Real Estate Investment Trust) asset management company sponsored jointly by SuMi TRUST Bank and Oji Real Estate Co., Ltd. It is an asset manager for TOP REIT, Inc., investing mainly in office buildings, commercial facilities and residential real estate properties, utilizing the "real estate and financial know-how" of its sponsors, which have their own unique features.

Mitsui & Co., Logistics Partners Ltd.

Mitsui & Co., Logistics Partners was jointly established by MITSUI & CO., LTD., SuMi TRUST Bank and Kenedix, Inc. as an asset management company for J-REIT. It manages Japan Logistics Fund Inc. (JLF), which is the first Japanese REIT dedicated to logistics properties in Japan and invests in various domestic logistics facilities.

Sumitomo Mitsui Trust Research Institute Co., Ltd.

Sumitomo Mitsui Trust Research Institute is a think tank specializing in real estate. It conducts studies and proposals on urban problems, and theoretical and practical studies on real estate. Based on the accumulation of such studies, it provides clients with research and consulting services specializing in the real estate market and the real estate finance area.