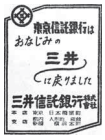
History of the Sumitomo Mitsui Trust Group

1924
- Established The Mitsui Trust Company, Limited

1925
- Established Sumitomo Trust Co., Ltd.

1948
- Changed name to The Tokyo Trust & Banking Co., Ltd. following dissolution of the *zaibatsu* (business conglomerates), and commenced ordinary banking operations

1948
- Changed name to Fuji Trust & Banking Co., Ltd. following dissolution of the *zaibatsu* (business conglomerates), and commenced ordinary banking services



1952
- Changed name to The Mitsui Trust and Banking Company, Limited, and started marketing loan trusts

1952
- Changed name to The Sumitomo Trust and Banking Co., Ltd., and started marketing loan trusts

1962
- Established The Chuo Trust & Banking Co., Ltd.

1995
- Established The Sakura Trust & Banking Co., Ltd.

2000
- Merged to become The Chuo Mitsui Trust and Banking Company, Limited

2000
- Established Japan Trustee Services Bank, Ltd.

2001
- Received transfer of all shares of The Sakura Trust & Banking Co., Ltd.

1920s

Establishment of trust system

The word *shintaku*, meaning "trust," first appeared in Japanese law in 1900. Later, the Russo-Japanese War and other events prompted the establishment of the Secured Debenture Trust Act, which in turn gave rise to a flurry of "trust" companies whose main business was not trusts. The government then enacted the Trust Act and the Trust Business Act in 1922 to clearly define the division of businesses and to eliminate operations that lacked financial strength, thereby establishing the trust system.

1940s

Difficult post-war period

The existence of trust companies was threatened in the post-war period, when it became impossible to gather long-term funds due to inflation and a general lack of interest in saving money. Trust companies were dealt an even greater blow by the complete revision of the Securities and Exchange Act in 1948, which meant they could no longer engage in the securities underwriting operations that had been an important part of their business. In these circumstances, in the same year, trust companies were allowed to concurrently engage in banking operations. Trust companies thus became trust banks, and secured a vital source of income enabling them to overcome the difficulties of the period.

1950s to 1960s

Becoming a supporter of rapid economic growth

A supply of stable, long-term funding came to be required for economic recovery after the war, particularly for key industries such as electricity and steel. In 1952, the Loan Trust Act was established, and trust banks began offering loan trusts. The loan trust business achieved rapid growth as an ideal savings method, offering "profit, safety, and convenience." That growth led to the development of a variety of trust products aimed at using trust functions for the good of society.

2002
- Established Mitsui Trust Holdings, Inc.
- The Sakura Trust & Banking Co., Ltd. changed its name to Mitsui Asset Trust and Banking Company, Limited

2007
- Changed name to Chuo Mitsui Trust Holdings, Inc.
- Mitsui Asset Trust and Banking Company, Limited changed its name to Chuo Mitsui Asset Trust and Banking Company, Limited

2009
- Acquired shares of Nikko Asset Management Co., Ltd., making it a subsidiary

2011
- Established Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings")

SUMITOMO MITSUI TRUST HOLDINGS

2012
- Established Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank")

2014
- Complete integration of systems at SuMi TRUST Bank

2015
- Acquired all shares of Citi Cards Japan, Inc., making it a subsidiary and changing its name to Sumitomo Mitsui Trust Club Co., Ltd.

1970s to 1980s

Advances in liberalization and internationalization of finance

The first oil crisis in 1973 signaled the end of Japan's rapid economic growth. While corporate demand for bank loans declined considerably, sluggish tax revenue and an increase in fiscal spending led the government to issue a large number of national bonds, which were underwritten primarily by financial institutions. This was a key factor in clearing the way for the liberalization of finance. Around the same time, the rapid advance of internationalization resulting from overseas expansion by Japanese companies and legal revisions provided a further push toward financial liberalization. In the late 1980s, the Japanese economy entered a phase of expansion known as the "bubble economy." The trend toward liberalization and internationalization in the financial industry grew even stronger, and brought new earning opportunities.

1990s to Current

Financial reorganization and enhancement of service

The bubble economy came to a close in 1991, and the Japanese economy entered a long period of stagnation. As the financial environment underwent dramatic changes, including the injection of public funds into financial institutions, the structure of the financial system came under examination, and in 1992 the Financial System Reform Act was established. As a result, cross-participation between various financial businesses became possible through subsidiaries in different business areas.

The economy continued to pick up from 2002 until the latter half of 2007, but the global financial crisis triggered by the sub-prime loan problem and the collapse of Lehman Brothers led to deterioration in the Japanese economy as well. Amid repeated turmoil in financial markets in the following years, including the Greek debt crisis, countries around the world came out with large-scale fiscal and monetary policies such as the introduction of negative interest rates, which resulted in a gradual shift toward economic recovery.

In the financial industry, the Trust Act and the Trust Business Act underwent drastic revisions in 2004 and 2006, the first since their enactment. The revisions included expanding the range of assets that could be entrusted and increasing the number of entities responsible for trust business. As a result, the field of trust business widened, spurring greater competition.

The prolonged environment of ultra-low interest rates such as negative interest rates has also put pressure on financial institutions to reform their traditional business models.