

Business Outline

Institutional Investor Services

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Pension Trust Operations

Many companies' fund managers wish to utilize the No. 1 trust bank

Chuo Mitsui Asset is focusing on its consulting expertise in retirement benefit plans to design and provide services fine-tuned to clients' needs, which will lead to stronger client loyalty, a larger amount of assets under administration and higher profits.

Securities Trust Operations

Balance of investment trusts under administration—more than ¥10.5 trillion

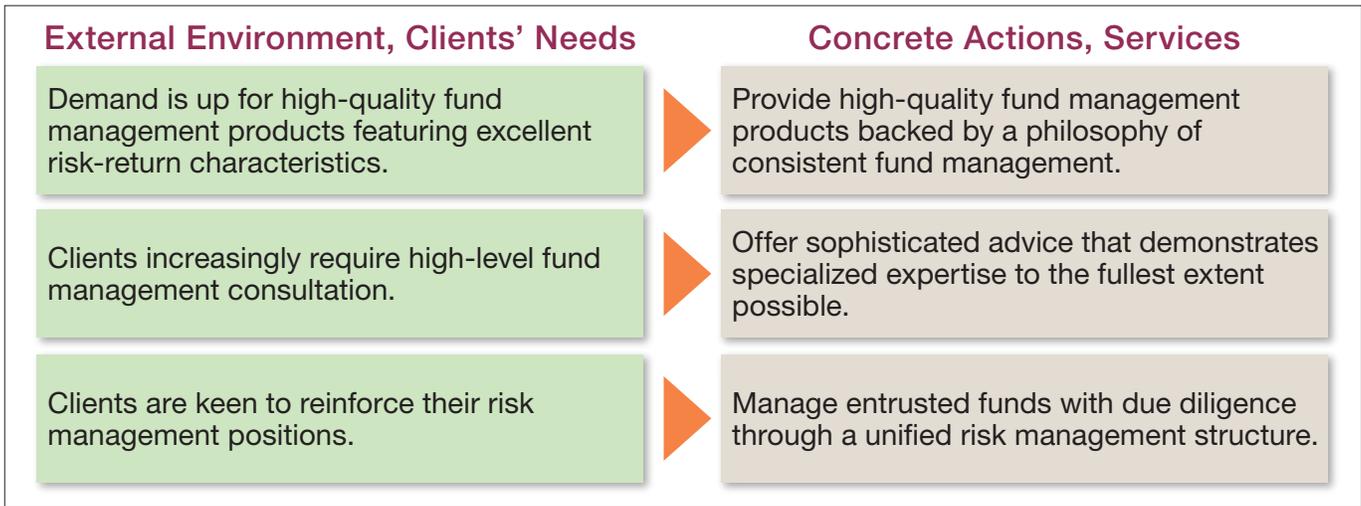
Chuo Mitsui Asset will expand its profit base in the constantly growing investment trust market by directing more energy into the trust operations characteristic of a trust company and enhancing related services, and by focusing more attention on stronger investment advisory services for asset management companies.

| | Trust Asset Management Business | Trust Asset Administration Business | Pension Management Services |
|-------------------|--|---|-----------------------------|
| Pension Trusts | Employee pension fund trusts, defined benefit corporate pension trusts, tax-qualified pension trusts, national pension fund trusts | | |
| | | Defined contribution pension operations (asset administrators, administration managers) | |
| Securities Trusts | Individually operated designated money trusts (<i>shiteitan</i>) ¹ , money trusts other than <i>shiteitan</i> (money fund trusts), treasury stock trusts (stock buyback fund trusts) ² , designated composite trusts, securities management trusts | | |
| | Investment Management Business Investment Advisory Business | Securities investment trusts, specified money trusts (<i>tokkin</i>) ³ , specified money in trusts other than money trusts, specified composite trusts, securities trusts, trust-style rights plans ⁴ | |

1. Trusts for which the trustee has the authority to manage the entrusted funds at its own discretion within the range and type of assets designated by the trustor.
2. Trusts to facilitate the purchase of own shares (treasury stock) from the market on behalf of the trustor, i.e., the client company. This is a specified investment-style product that allows purchases at the trustee's discretion, thereby averting possible violation of regulations by the client company concerning market manipulation and insider trading.
3. Trusts for which the trustee has full discretionary rights for management of the entrusted assets.
4. Products utilizing trust schemes that function as measures to deflect hostile takeovers.
A trust is set up for equity warrants prior to the execution of subscription rights to new shares, so that if a hostile takeover bid is tabled, new shares can be issued to existing shareholders, essentially terminating the predatory action.

The Bank also handles other products, including money claims in trust, in addition to the products listed above.

Asset Management Business



One of Japan's Largest Pools of Asset Managers

Trust asset management division of Chuo Mitsui Asset is responsible for about ¥23 trillion in funds. These funds are combined in various formats, including corporate pensions, public pensions and public sector funds, and are managed according to proposals formulated with the explicit input of

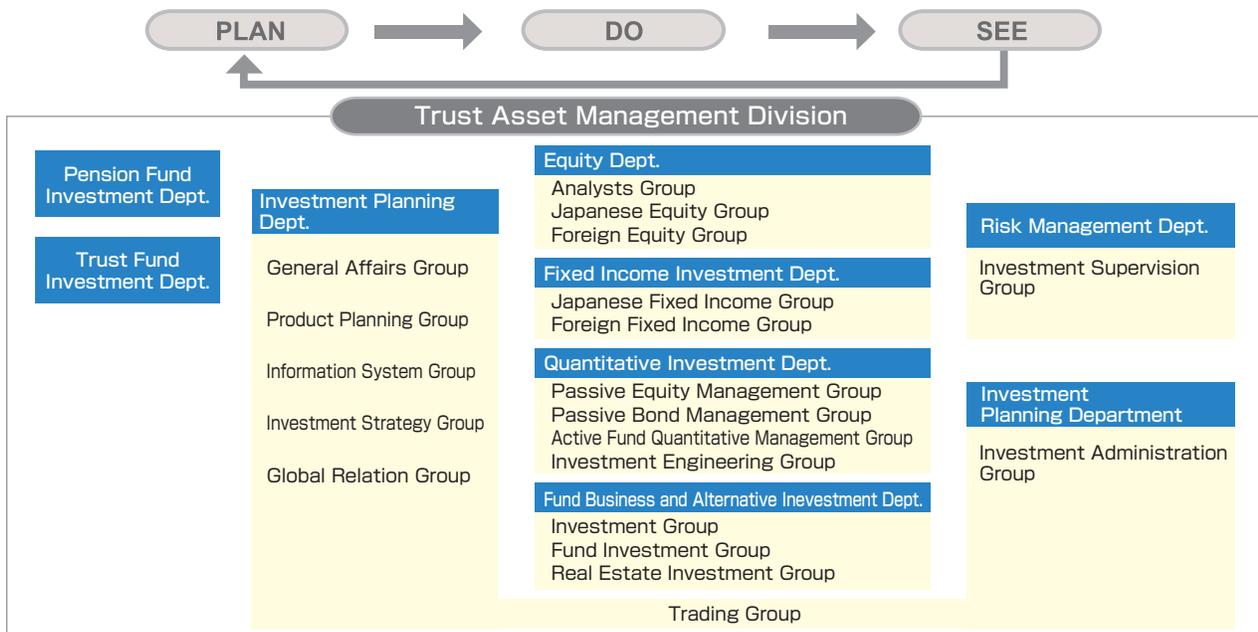
clients. The scale of the funds handled at Chuo Mitsui Asset is one of the largest in Japan, and the Bank utilizes the merits of this scale, as well as the talents of a skilled group of some 200 professionals, to achieve excellent fund management performance.

Top-Class Asset Management Capabilities

Fund management operations at Chuo Mitsui Asset are underpinned by a fundamental principle that prioritizes consistency and clarity in the processes used to manage funds. To support this principle, operations have been arranged into a function-specific structure paralleling the all-encompassing Plan → Do → See process for fund management products.

This addresses all activities, from the drafting of an investment strategy to the evaluation of a fund's performance. As a multiproduction firm, Chuo Mitsui Asset provides a diverse selection of products, from actively managed funds to passively managed funds, targeting both foreign and domestic investment.

Divisional Structure for Trust Asset Management



Professionals with High-Level Expertise

● Active Management Based on In-House Research

The strength of Chuo Mitsui Asset's active fund management lies in a process by which the Bank's richly experienced fund managers utilize research data compiled by corporate analysts or quantitative assessments formed by econometric analysts

to build funds. Of note, the Bank's teams of corporate and econometric analysts are at the top of the industry class, in terms of qualification as well as number.

● Superb Passive Management

Chuo Mitsui Asset was quick to realize the serviceability of passive fund management and followed its 1985 launch of passive funds featuring domestic stock with solid efforts to promote the process and improve the quality of related

products. Chuo Mitsui Asset maintains this pioneering approach and has earned a solid reputation as the largest passive fund manager in Japan.

● Providing Various Alternative Funds

To address increasingly diverse and sophisticated client requirements, Chuo Mitsui Asset reinforced its investment structure and placed the Fund Business and Alternative Investment Department at the core of its enhanced structure

as a section specializing in alternative fund management. The Bank is working to enrich its menu of alternative products, with a focus on hedge funds, real estate funds, global REITs and private equity funds.

Promoting New Businesses

Deregulation, effective from April 2004, lifted restrictions on the participation of trust banks in the area of investment advisory services. Seeking to capitalize on this opportunity to establish a wider, more resilient profit base, Chuo Mitsui Asset enthusiastically embraced investment advisory services, including the promising field of advice on investment trusts, and has endeavored to apply respected fund management expertise

acquired through services for institutional investors to meet the needs of individual investors as well.

With an eye toward further cultivating its base of new clients, the Bank entered the business of asset management services for nonresidents and offers investment advice on foreign-owned funds that concentrate investment in Japanese stocks.

Unified Risk Management Structure

Chuo Mitsui Asset strictly adheres to the responsibilities expected of a trustee. This commitment is substantiated by an independent risk management structure specifically created for asset management operations and a unified structure for risk management, compliance and performance evaluation.

In addition, to guarantee the integrity and transparency of

its services, the Bank welcomed examination of its trust asset management business by an external auditing corporation in accordance with the U.S. auditing standard SAS 70 and received an SAS 70 auditor's report attesting to effective application of internal controls during the verification period.

Sustained High Marks in Survey of Pension Funds

Chuo Mitsui Asset achieved high approval ratings, both quantitatively and qualitatively, again in the 2007, taking top spot among Japanese trust banks in *Newsletter on Pensions & Investment*, a survey conducted by Japan's Rating and Investment Information, Inc., that targets institutional investors nationwide and asks them to assess the fund managers handling their pension funds.

Chuo Mitsui Asset was also voted the No. 1 fund manager among all trust banks that clients would newly choose as a service provider.

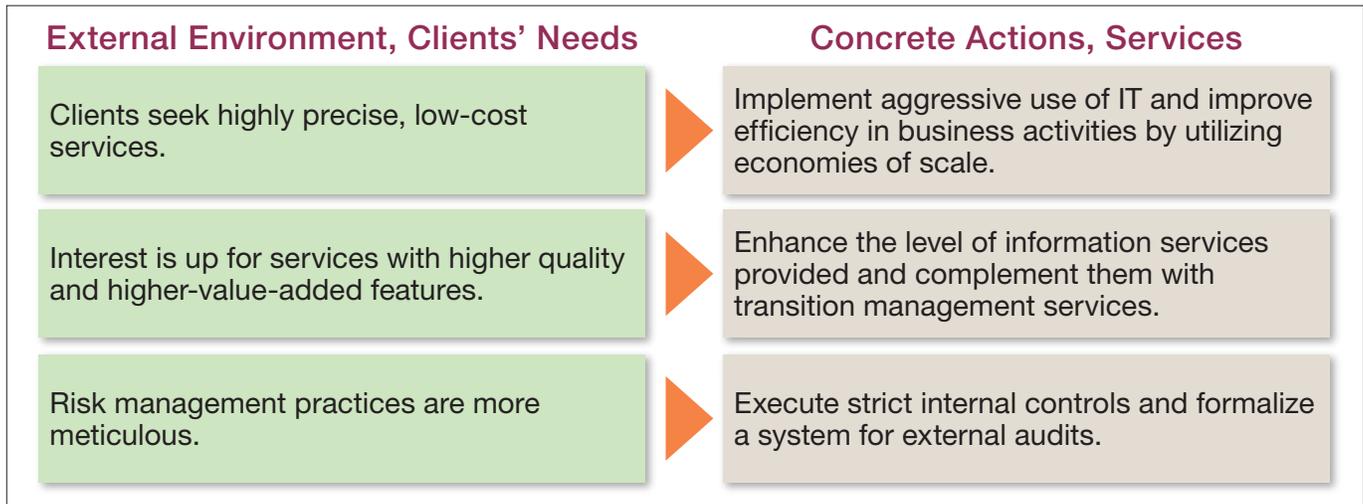
The solid evaluation and enduring loyalty that Chuo Mitsui Asset has garnered from its clients are a testament to its asset management capabilities and pertinent investment advice.

Chuo Mitsui Asset Wins R&I Fund Award 2008

Adding to its R&I Fund Award collection, Chuo Mitsui Asset was recognized at the 2008 event, sponsored by Rating and Investment Information, Inc., with an award in

the investment trust category under domestic REITs with the Chuo Mitsui J-REIT Fund, which is managed by Chuo Mitsui Asset Management.

Asset Administration Business



Overview of Asset Administration Business

Asset administration and asset management are complementary sides of the same business coin, wherein asset administrators handle the basic elements of asset maintenance, including custody, settlement, accounting and record-keeping, for the various assets designated for investment by fund managers. In addition to reliable and precise data processing,

asset administration increasingly requires swift and accurate responses to the evolving globalization of fund management and reform of the domestic securities clearing and settlement system. It also requires higher-quality services, including securities lending and sophisticated information services, such as the integrated presentation of administration results.

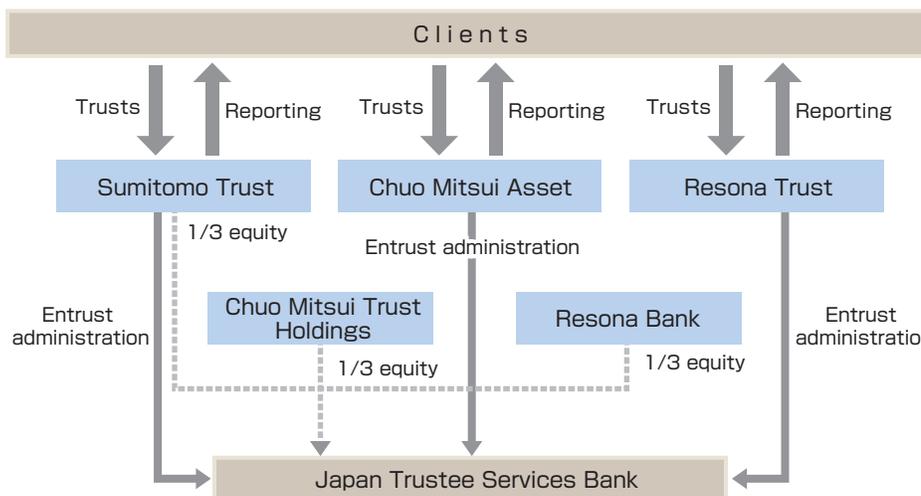
Benefiting from Transfer of Assets to Japan Trustee Services

Seeking to capitalize on the economies of scale in basic operations of trust asset administration, Chuo Mitsui Asset has entrusted administration of its trusts assets to Japan Trustee Services Bank, Ltd.

Japan Trustee Services Bank, with investment from Chuo Mitsui Trust Holdings, The Sumitomo Trust & Banking Co., Ltd., and Resona Bank, Ltd., is Japan's largest asset administrator

with entrusted assets reaching a staggering ¥185 trillion.

As always, Japan Trustee Services Bank will draw on the management resources and years of know-how accumulated by participating banks to deliver high-level asset administration services to its clients and will utilize the returns granted by the size of entrusted assets to make execution of these services all the more efficient.



【Profile of Japan Trustee Services Bank】

- Date of Establishment: June 20, 2000
 - Capitalization: ¥51.0 billion
 - Total assets: ¥1,407.1 billion
 - Balance of trust asset: ¥185,268.9 billion
- (As of March 31, 2008)

High-Value-Added Services: Online Information Access

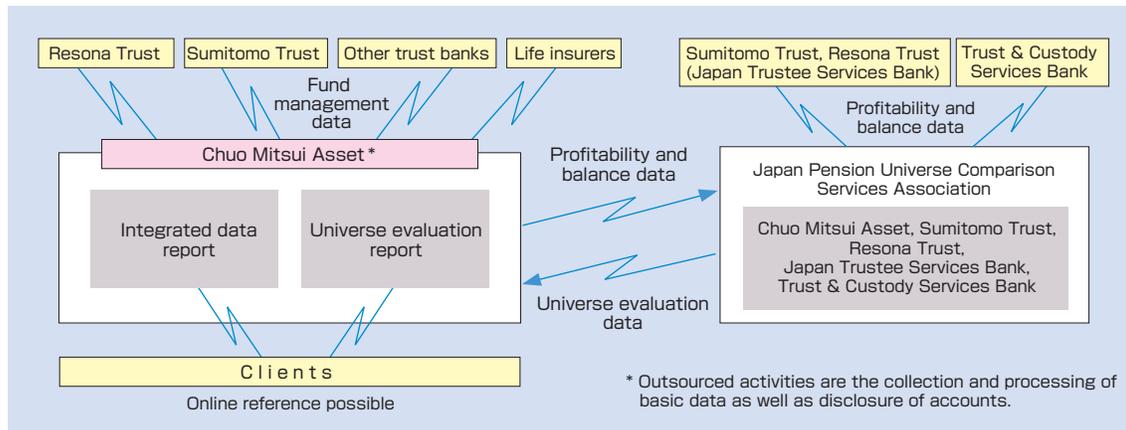
For clients, including those with pension funds, which require asset administration services, Chuo Mitsui Asset undertakes master record-keeping services. In addition to the collection, integration and processing of fund management data compiled by multiple asset administrators, these services facilitate timely and unified online access to data regarding investment status and performance evaluations as well as reports useful to risk management efforts.

Chuo Mitsui Asset has acquired an enviable reputation for providing integrated data that encompasses entire

corporate groups and transcends the borders of employee pension funds, tax-qualified pension funds, retirement benefit trusts and other systems.

Further complementing this data, the Bank offers a **Universe Comparison Service**, a high-value-added method that compares relative performance of one pension fund against other pension funds in a fixed universe, according to several classifications, including a pension system, such as employee pension funds and tax-qualified pension funds, or by the scale of invested assets.

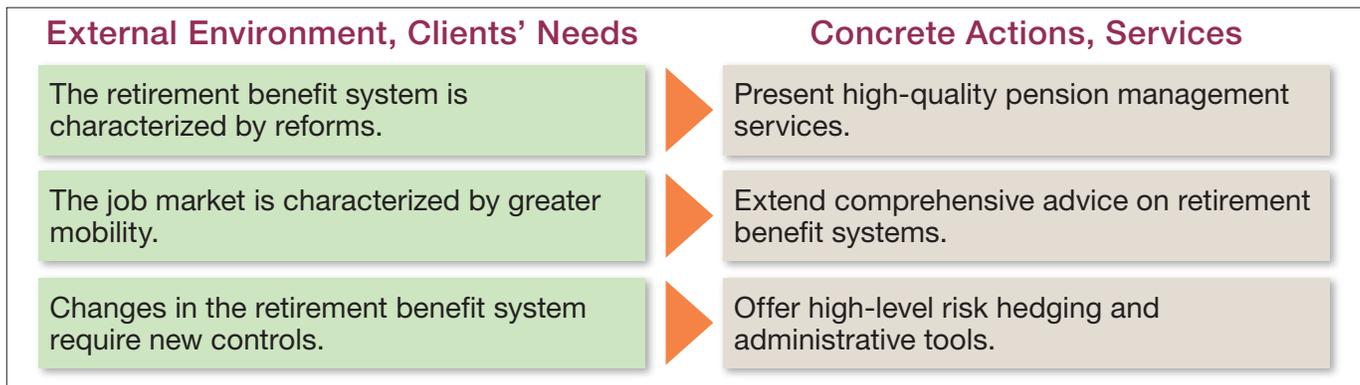
Chuo Mitsui Asset Master Record-Keeping Service



Universe Comparison Service

Seeking to build a universe information database, Chuo Mitsui Asset teamed up with The Sumitomo Trust & Banking Co., Ltd., Resona Trust & Banking Co., Ltd., Trust & Custody Services Bank, Ltd., and Japan Trustee Services Bank in joint operation of the Japan Pension Universe Comparison Service Association.

Pension Management Services



Overview of Pension Management Services

In its capacity as a provider of lead-manager services, Chuo Mitsui Asset offers pension management services covering system and contract administration, actuarial calculations and maintenance of members and beneficiaries. As of March 31, 2008, the Bank was entrusted with administration of 888 tax-qualified pension funds,

91 employee pension funds, and 224 defined benefit corporate pension funds.

Chuo Mitsui Asset is also actively engaged in services for cash-balanced plans and defined contribution pension plans.

Comprehensive Consulting Services

Developments such as the introduction of retirement benefit accounting and enactment of the Defined Contribution Pension Law and the Defined Benefit Corporate Pension Law have prompted corporate executives to pinpoint effective techniques for mitigating the risks connected with retirement benefit obligations.

The diverse and complex issues involved in controlling these risks demand measures covering a range of topics, from retirement benefit obligations and the design of retirement benefit schemes to asset management.

Chuo Mitsui Asset has applied years of expertise accumulated

in the areas of tax-qualified pension plans and employee pension plan funds to the creation of a full line of services covering a range of issues dealing with retirement benefit systems, from the introduction of such systems and respective maintenance, to fund management and administration, and further to the calculation of retirement benefit obligations and pension ALM analysis.

Especially while the retirement benefit system in Japan undergoes transformation, the Bank will continue to refine its talents in the corporate pension business and undertake system administration matched to the personnel and financial strategies of its clients.

Enhanced Information Access and Consulting Capacity

Revision of the Defined Contribution Pension Law and the Defined Benefit Corporate Pension Law, as well as a review of the public pension system, exemplify the changes taking place in pension and retirement fund systems. Against this backdrop, trust banks must enhance their information and consulting functions to provide clients with required data and advice faster and more

accurately than ever before.

Chuo Mitsui Asset is ready to meet the needs of clients in this new era with swift access to appropriate information facilitated through the Pension Research Center and prudent recommendations extended by the Pension Consulting Department.

Implementing SAS Internal Control Audits on Pension Operations

To support responses to such legal developments as the Sarbanes-Oxley Act, a compliance-oriented corporate reform law dubbed the SOX Act in the United States, Chuo Mitsui Asset welcomed examination of its pension and trust asset management businesses by an external auditing corporation, in accordance with the U.S. auditing standard SAS 70.

The Bank, which received an SAS 70 auditor's report confirming effective application of internal controls during the verification period, was the first major trust bank in Japan to undergo such an audit.

Under the SOX Act, which applies to fiscal years ending after July 2006 at companies listed in the United States, executives shall be accountable for internal controls. The scope of such controls and inherent accountability shall encompass outsourced services and thus compel U.S.-listed companies to ascertain the status of internal

controls at the trust banks to which they outsource administration of their pension funds.

Moreover, the Financial Instruments and Exchange Law—essentially, Japan's version of the SOX Act—require listed companies to disclose their respective internal control structures to investors, effective from fiscal years ending on or after March 31, 2009.

Against this backdrop, Chuo Mitsui Asset decided to obtain a SAS 70 auditor's report and thereby address the wider responsibilities of companies entrusting management of their corporate pensions to the Bank. With this report, clients have confirmation that the services extended by the Bank to its corporate clients are backed by high-level internal controls and that the Bank is taking an active approach to help its clients satisfy SOX Act requirements.

Tackling Defined Contribution Pension Plans

Chuo Mitsui Asset is working to build the all-encompassing structure of a defined contribution pension trust organization featuring a full line of services, from verification of existing retirement benefit systems and advice on the design and implementation of defined contribution pension plans to services involving record-keeping, asset administration, fund management products and investment education.

In December 2002, Chuo Mitsui Asset introduced Japan's

first **jointly operated defined contribution pension plan** system, and in April 2005, the Bank began handling a **comprehensive defined contribution pension plan** system. Through aggressive development of schemes geared to the specific needs of clients, the Bank has been appointed operational administrator and asset administrator by numerous corporations.

The Bank will continue to apply accumulated know-how to enhance its services.

New Defined Contribution Pension Plan Services

To help defined contribution plan participants gain a more fine-tuned awareness of current asset status, Chuo Mitsui Asset began an online service through Japan Investor Solution & Technology, which maintains participant records. This service enables participants to determine the status of profit and loss according to the products in which they have invested as well as yield data on a overall defined contribution assets. For example, participants can compare current yields against target yields and confirm which products are delivering good results, or review asset

allocation.

Greater use of mobile phones prompted another new service, which allows defined contribution plan participants to pinpoint asset balance and obtain yield data on their mobile phones. The service was introduced so that participants could track plan developments with ease. With access to a mobile phone, which covers nearly everyone these days, asset status is always close at hand, even when away from home or office.

Continuing Education for Defined Contribution Plan Participants

A defined contribution corporate pension plan operates on the choices made by participants—that is, employees—so all participants, even those unaccustomed to investing, must understand the importance of selecting the right targets for investment. Companies with defined contribution pension plans need to set up investment education programs for their employees to underpin this process.

Given the current trend toward investments over

savings, the atmosphere is right for encouraging people to take greater responsibility for their own investing choices and emphasizing the importance of personal life plans. More and more forward-thinking companies are using the situation to raise awareness among employees, and Chuo Mitsui Asset is responding to the needs of such companies with an extensive menu of easy-to-follow investment education services, from seminars to Internet-based assistance and e-learning tools.

Jointly Operated Defined Contribution Pension Plan, Comprehensive Defined Contribution Pension Plan

The joint introduction of defined contribution corporate pension plans at several companies is a format that shares plan operation among the participating companies. This reduces the costs involved in educating employees about investing responsibilities and investment choices and leads to greater efficiency in the operation and administration of such pension plans. A jointly operated defined contribution pension plan is one established by a corporate group with capital ties, whereas a comprehensive defined contribution pension plan is one wherein such capital ties do not exist.