

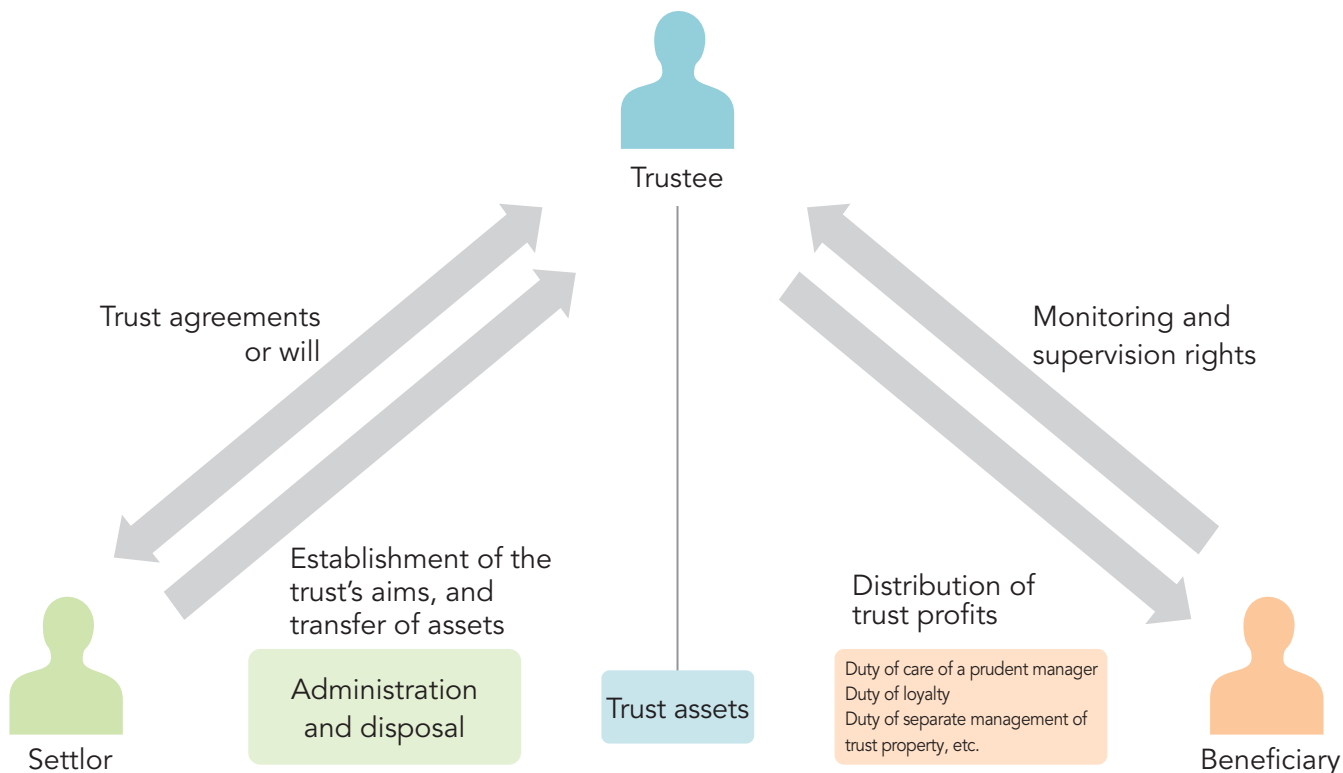
# What is a Trust?

A trust is a system for managing property as stipulated under the Trust Act.

A person who owns property (the settlor) entrusts property to a reliable person (the trustee), and the trustee manages and disposes of the property for the beneficiary in accordance

with the aims of the trust.

The behavior of trustees is regulated under law, and trust assets are managed independently for beneficiaries. The use of trusts is expanding due in part to high expectations for the expertise of asset management trustees.



## The early days of trusts and taking on new challenges

Following the enactment of the Trust Act and the Trust Business Act in 1923, The Mitsui Trust Company, Limited was established in 1924, and Sumitomo Trust Co., Ltd. was established in 1925.

In the early days, the main product of trust companies was money trusts. Since its foundation, The Mitsui Trust Company offered money trusts, and the amount of money in trust increased steadily thanks to offering higher dividend yields than fixed deposits held at banks. At the time, trust companies with strong credit backed by zaibatsu were thought to have paved the way for safe and advantageous profit-making. The use of money trusts later spread to schools and insurance companies, and trust funds were used to support industries such as electricity and railways, supporting Japan's development.

Between 1931 and 1933, Sumitomo Trust Co. developed and sold lots in a hilly area in Nishinomiya City, Hyogo Prefecture. At that time, trust companies with good

credit selling good quality land in lots at a large scale were welcomed. The DNA of trust banks possessing strengths in the real estate industry has continued to the present day.

Accordingly, the early days of trusts marked the beginning of attempts to find solutions to social issues. Ever since, trust companies and trust banks have continued to take on challenges in a variety of fields and opened up new avenues.



Money trust pamphlet