

# Retail Financial Services Business



We provide comprehensive solutions that are customized to meet the needs of each individual client.

## Nobuo Iwasaki

Officer in charge of Retail Financial Services Business  
Sumitomo Mitsui Trust Bank, Limited

## 1. Business Outline

As “The Trust Bank,” the Retail Financial Service Business provides comprehensive services to meet a wide range of client needs pertaining to asset management, administration and succession through a nationwide network of branches, with a focus on the Tokyo Metropolitan Area, as well as the Kansai and Chubu areas, and also through SBI Sumishin Net Bank, Ltd. and other group companies.

Sumitomo Mitsui Trust Group (the “Group”) conducts business on the basic premise that it will strive to actively offer new products and services tailored to meet client needs. Although the issues related to asset management and administration for individual clients are becoming more complex amid the trend toward the aging and maturing of Japanese society, and the advance of economic globalization, the Group has prepared a product lineup that can meet these increasingly diverse client needs.

Thanks to our staff, which possess significant expertise and include financial consultants (an innovation that we introduced ahead of other banks in 1977), we can provide comprehensive solutions that are customized to meet the needs of each individual client.

The main business operations for individual clients include deposits, sales of investment trusts and annuity insurance, the individual loan business, will trust and estate settlement services, and the real estate business.

In the sales operations for investment trusts, annuity insurance and other products, we have prepared a wide

range of products—from investment trusts and annuity insurance products to discretionary investment management products—as well as foreign currency deposits to meet diverse and growing asset management needs against the backdrop of mass retirement of baby-boomers and the reform of the public pension systems. We also provide high-quality consulting services.

Our loans to individuals include housing loans provided through real estate company channels such as major developers and house makers, and the convenient Internet channel. They also include a selection of products that reflect unique qualities as a trust bank, to meet user requirements, taking into account the different life stages of each generation.

Regarding will trust and estate settlement services, we see a growing need for effective asset utilization, smooth asset succession from one generation to the next, and strategies for asset preservation in line with the declining birthrate and the aging society. Our professional consultants, possessing extensive knowledge and experience, provide asset utilization know-how and comprehensive solutions integrating the Group’s various functions.

In all these operations, we try to be trustworthy consultants for our clients, so that we may become their trusted advisor, and provide comprehensive and professional services tailored to meet their needs.

## 2. Product and Service Outline

### Deposits

We provide distinctive deposit instruments that include foreign currency deposits and “Good Select,” which if held to maturity without cancellation can be offered at a favorable interest rate. To support clients’ asset management efforts, we also provide a plan combining investment trusts and foreign currency deposits with special interest rate time deposits. For clients who have entered the “retirement” phase, we offer a time deposit plan to support a second life after retirement.

### Investment Trusts

Taking advantage of having two asset management companies in the Group—Sumitomo Mitsui Trust Asset Management Co., Ltd. and Nikko Asset Management Co., Ltd.—we provide useful products for clients’ asset building. In order to take advantage of global economic growth driven by emerging nations and meet changes in the investment environment, we offer products that feature a versatile lineup of investment targets and styles.

### Life Insurance Products

Clients can utilize the insurance mechanism to invest their precious assets. We provide two insurance products: 1) “annuity insurance,” which has attracted attention as a new asset management instrument for covering the shortfall in public pension benefits, etc., and preparing for a comfortable second life; and 2) “single-premium whole life insurance,” which allows clients to securely transfer their precious assets to their families.

### Discretionary Investment Management Products

Discretionary investment management products represent services in which we make investment decisions and undertake transactions on behalf of clients by taking advantage of the sophisticated asset management skills and know-how we have developed as experts in the provision of asset management services for corporate pension funds and other assets. We offer three discretionary investment management products: the “Sumitomo Mitsui Trust Fund Wrap” and “Sumitomo Mitsui Trust Private Wrap” for proposing efficient investment plans that meet each client’s risk tolerance, and the “Sumitomo Mitsui Trust SMA” for building custom-tailored portfolios.

### Loans

We offer various types of interest rates and repayment methods for housing loans, and provide loans that meet various lifestyles and needs, including housing loans tailored for women, with preferential interest rates available after childbirth. Non-housing loans include a “Reverse Mortgage,” which is a loan that uses the house as collateral when borrowing funds for a more comfortable lifestyle, a “Housing Card Loan” home equity loan, and an “Apartment Loan” for the construction or renovation of apartments.



Asset Management Support Package



TCA Global Capital Fund (for monthly settlement)



Full Heart W



Sumitomo Mitsui Trust Fund Wrap

## Asset Inheritance

Professional consultants provide services to secure asset inheritance to the next generation. In addition to “will trust services,” in which we provide consultations on will writing through storage and execution, we provide “inheritance coordination services,” pertinent advice on asset succession, “estate planning” advice on how to put the inherited assets in order, and consulting for specific asset succession planning and “business inheritance trusts” to promptly implement asset succession without following conventional inheritance procedures, responding to a wide range of client needs.



Estate Planning



Will Trusts

## Asset Administration

We provide the “Anshin Support Trust” (a life insurance trust) to clients and their family members who want their assets to be preserved and administered over the medium to long term. The Anshin Support Trust has two types: 1) a “money trust” for clients who have nobody to preserve or administer their assets for such reasons as the absence of children; and 2) a “life insurance trust” combining life insurance and trust functions. We also offer such products as a trust that supports the guardianship system, trusts with a social contribution donation, stock sale/acquisition trusts, and “charitable trusts.”



Anshin Support Trust

## Private Banking

Professional staff members take maximum advantage of our rich knowledge and experience as a “Trust Bank” to make proposals that meet a variety of client needs. We offer a wide range of products, including custom-tailored and well-designed asset-management products, as well as business inheritance trusts and other asset administration products for asset preservation and succession. We also provide consulting services through Sumitomo Mitsui Trust Wealth Partners Co., Ltd. Our entire Group attempts to upgrade our capabilities for asset management and administration support.



Consulting by a financial consultant

## Consulting

Professional financial consultants with extensive knowledge provide consultations not only on deposits, but also on comprehensive asset management and administration (including on issues pertaining to inheritance and real estate), at privacy-protected individual booths. These consulting services, undertaken for business proprietors, are provided by professional consultants who can comprehensively address matters relating to business administration, financing and personal assets. Business proprietors can trust and count on these professional consultants to implement specific measures for smooth business succession and conduct regular follow-up checks. We also provide fine-tuned consulting at the counter in our branch offices.



Consulting by an over-the-counter staff member

### 3. Group Companies

#### Sumitomo Mitsui Trust Wealth Partners Co., Ltd.

Sumitomo Mitsui Trust Wealth Partners provides high-level professional consulting services to clients with inheritance and business succession needs. In addition to the professional consultants at Sumitomo Mitsui Trust Bank, Limited (“SMTB”), the company offers custom-tailored consulting services that meet the requests of each client through collaboration with tax accountants and lawyers.

#### Sumitomo Mitsui Trust Card Co., Ltd.

In April 2012, Sumishin Card Co., Ltd. and Chuo Mitsui Card Co., Ltd. merged into Sumitomo Mitsui Trust Card. The company issues the “Sumitomo Mitsui Trust VISA Point Club Gold Card,” an affiliated credit card for earning points through transactions with SMTB, and the “Sumitomo Mitsui Trust VISA Platinum Card,” the highest-grade VISA card, providing higher-value-added credit services.

#### Sumitomo Mitsui Trust Guarantee Co., Ltd.

Sumitomo Mitsui Trust Guarantee was founded in 1978 to guarantee loans to individuals. It provides guarantees for clients using housing and card loans offered by SMTB. The balance of its loan guarantees has been increasing in tandem with an expansion in housing loan operations. Upon the inauguration of SMTB in April 2012, Sumitomo Mitsui Trust Guarantee made Sumishin Guaranty Co., Ltd. its subsidiary.

#### SBI Sumishin Net Bank, Ltd.

SBI Sumishin Net Bank, a bank that specializes in Internet banking business, was founded in 2007. Instead of limiting operations to settlement and asset management services, the bank has been trying to realize a “full-banking service, Internet-only bank by providing more easy-to-use and attractive products and services than those offered by other banks, 24 hours a day, 365 days a year.” Armed with all the conventional banking functions (deposits, asset management, loans and settlement), the bank offers a wide range of services that include cash accounts available 24 hours a day, foreign currency deposits allowing for real-time transactions, joint services with the accounts of SBI Securities Co., Ltd., and non-face-to-face transactions for housing and card loan services. SBI Sumishin Net Bank achieved profitability in its third year of operation. In the year ended March 2012, the bank had attained steady growth, with outstanding deposits totaling approximately ¥2.3 trillion and ¥1 trillion in housing loans (accumulated total), while its capital adequacy ratio is 8.0% or higher, indicating a sound financial position. The FY 2011 Japanese Customer Satisfaction Index (JCSI) survey said SBI Sumishin Net Bank scored the highest JCSI rating in the banking industry for the third straight year. It has also received high ratings in many other client satisfaction surveys. The total number of accounts at the bank has reached approx. 1.4 million.