

**Press Release**

Nikko Asset Management Co., Ltd.

**Nikko AM Wins R&I Fund Award 2013**

Nikko Asset Management Co., Ltd. (Nikko AM) has been rewarded second prize in three categories in the R&I Fund Award 2013, presented by Rating and Investment Information, Inc.

Fund	Category	Prize
Nikko Eco Fund	Investment Trusts/ Japanese SRI and Ecology Fund	Second prize
Nikko New-Generation Emerging Equity Fund	Investment Trusts/ Emerging Equity Multi-regional Fund	Second prize
Nikko DC Quants Active Japan	Defined Contribution Pension Funds/ Japanese Equity Fund	Second prize

Nikko AM is honored to receive these awards and intends to pursue further improvement in its investment performance and development of competitive products and services.

**About R&I Fund Award 2013**

R&I Fund Award is based on the past data, and does not guarantee future performances of the fund. The Award is presented only to provide information that can be used as a reference, and it does not intend to encourage investors to buy, sell or hold the relevant fund. Furthermore, it has no relation with the qualitative information Rating and Investment Information, Inc. (R&I) provides to its clients. The Award is calculated by R&I based on information believed to be reliable; however, its accuracy and completeness are not necessarily guaranteed. The Award is not the Credit Rating Business, but one of the Other Lines of Business (businesses excluding Credit Rating Business and also excluding the Ancillary Businesses) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities. The copyright and other related rights of this Award are the sole property of R&I. Use of the information contained herein (including reproducing, amending, sending, distributing or mutilating the information) is prohibited without R&I's permission. The Award given to "Investment Trusts/Aggregate Category" is based on the average fund management performance of the relevant fund, and it does not indicate the performance of the manager's other individual funds. The base value of investment trusts, etc. is obtained from QUICK.

Funds eligible for the "Investment Trusts" and "Investment Trusts/Aggregate" categories are Publicly Offered Open-type Stock Investment Trusts excluding defined contribution pension funds. "Defined Contribution Pension Funds" consist of Publicly Offered Open-type Stock Investment Trusts used in the defined contribution pension plan. "Defined Benefit Pension Funds" are funds registered in "R&I Pension Fund Data Service". All of them are in principle based on R&I's classifications.

The funds nominated in the "Investment Trusts", "Defined Contribution Pension" and "Defined Benefit Pension" categories are those ranked in the top 75% of the annual quantitative evaluation for three consecutive years based on the actual performance data for one year ending in March 2011, 2012 and 2013 respectively. The winner is selected based on the ranking of quantitative evaluation for the three-year period ending in March 2013. The quantitative evaluation for the "Investment Trusts" and the "Defined Contribution Pension Funds" is based on "Sharpe Ratio", and nominees must satisfy the following conditions: (1) the fund has been set for three years or more and has one year or more left before maturity, (2) the fund has 1 billion yen or more outstanding and (3) the fund ranks among the top 75% in its category in terms of outstanding balance. The quantitative evaluation for "Defined Benefit Pension Funds" is based on "Information Ratio". For the "Investment Trusts" and "Defined Contribution Pension" categories, R&I gives the first prize to one fund and the second prize to about two funds. For the "Defined Benefit Pension Funds", there are no prize levels. Eligible for the "Investment Trusts/Aggregate" category, are fund managers that have three funds or more with the balance of 1 billion yen or more each as of the end of March 2013. The first and second prizes are given to one fund manager each based on the ranking by balance-weighted average "Sharpe Ratio" of funds during the last three years.

\* This award is based on past performance and does not guarantee future investment performance.

### ■Risk Information

- Investment trust principal is not guaranteed and invests in assets for which prices fluctuate (assets denominated in foreign currencies also bear exchange rate risks), therefore NAV will fluctuate. It is possible that the NAV will fall below the principal amount of your investment. Profits and losses made by the management of investment trusts all belong to the beneficiaries. Investment trusts differ from deposits and savings.
- Different investment trusts invest in different asset classes, markets, and countries, and contain different investment restrictions, so the details of their risks differ accordingly.

### ■Outline of Fees, etc.

Investors must bear the following expenses:

<Fees charged at the time of subscription and redemption>

●Subscription Fees: Up to 4.20% (4.0% before tax)

●Redemption Fees : Up to 1.05% (1.0% before tax)

●Amount Retained in Trust Assets: Up to 1.0%

< Fees and expenses charged indirectly through the trust assets (i.e. paid by the Fund)>

● Trust Fees (annual) : Up to 3.17% (3.12% before tax)

Some fund charge a performance fee based on investment performance, etc.

●Other Expenses: Brokerage commission with respect to securities held in the portfolio, audit fees, interest on borrowings and advances, etc.

\*The rate or maximum amounts applicable to other fees and expenses cannot be disclosed in advance because the actual amount will vary depending on the state of the assets managed.

\* The total amount of fees above will vary depending on the length of investment period and other factors. Therefore, we cannot give a specific total.

\* For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of purchase).

<Disclaimer>

- Fees, etc. listed are the highest rates among those charged to the investment trusts managed by Nikko Asset Management (as of the date this document was created).
- The risk information and fees, etc. disclosed above are those typical for a general investment trust. Actual fees will vary for each specific investment trust. For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of subscription).

### ■Other matters to Consider

- These marketing materials were prepared for the purpose of providing information on the investment trusts managed by Nikko Asset Management and promoting investors' understanding of this Fund.
- Unlike bank deposits or insurance policies, investment trusts are not protected by the Deposit Insurance Corporation or the Insurance Policyholders Protection Corporations. In addition, when purchased from registered financial institutions such as banks, investment trusts are not eligible for payments from the Japan Investor Protection Fund.

Your distributor will provide you with an investment trust explanatory document (prospectus distributed in advance of purchase) when you submit your application for this Fund. Please take the time to read its content carefully.

## About Nikko Asset Management

Established in 1959, the Nikko Asset Management group (Nikko AM) has grown to become the largest regional asset management company headquartered in Asia, with total AUM of US\$154 billion\* and one of the largest distributor networks across the Asia-Pacific region, comprising over 300 banks, brokers, IFAs and life insurance companies.

Nikko AM manages a wide range of Asian equity and Asian fixed income strategies for retail and institutional investors around the world. The company has been recognised by industry peers for outstanding performance, product innovation and market leadership across the Asia-Pacific region, winning a number of prestigious awards, including “Asia-Based Asset Manager of the Year” in 2012 and “Best Japan Onshore Fund Manager” in 2012 and 2011, both from *AsianInvestor*.

Nikko AM also offers specialist third-party expertise – currently from over 40 fund managers – through the World Series Fund Platform®, operating a “best-in-class” approach across a broad range of asset classes.

Nikko AM’s senior management team has significant experience across Asian as well as global markets. The team combines local knowledge with internationally recognised standards of investment practice, transparency and corporate governance to achieve growth across the business. The company adopts a “multi local” approach – giving local management teams a high degree of autonomy to address local market conditions and client servicing needs.

Nikko AM’s head office is in Tokyo and the firm has an extensive footprint across the Asia-Pacific region that includes offices in Singapore, Hong Kong, Sydney, Melbourne, Brisbane and Auckland. Offices in New York and London with full service teams provide support to investors in the US, Europe and the Middle East.

Nikko AM’s strong Asian presence is cemented with stakes in several joint venture companies. Rongtong Fund Management is one of the largest Sino-foreign joint venture fund management firms in China, while Hwang Investment Management Berhad and Asian Islamic Investment Management Sdn. Bhd. are leading investment management firms in Malaysia. Recent additions Ambit Investment Advisory Private Limited in Mumbai and Ambit Mauritius Investment Management Private Limited provide Indian equity expertise to Nikko AM’s global clients.

Nikko AM is an independently managed asset management company, majority owned by Sumitomo Mitsui Trust Holdings and with DBS Bank as the second largest shareholder.

For more information, please visit [www.nikkoam.com/english](http://www.nikkoam.com/english)

\* Consolidated assets under management and advice of Nikko AM and its subsidiaries as at 31 December 2012. “Largest” based on AUM sourced from Asia, including Australia and New Zealand, using third party published AUM figures as of June 30, 2012. “Regional” excludes firms with more than 75% of AUM sourced from a single country.

### **Nikko Asset Management Co., LTD**

Registration Number: Director of the Kanto Local Finance Bureau (Financial instruments firms) No. 368

Member Associations: The Investment Trusts Association, Japan/Japan Investment Advisers Association