

Press Release**nikko am**

Nikko Asset Management Co., Ltd.

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Japanese and Chinese Students to Aim High with Global Investment

- Country Pick 2012 Japan-China Student Group Challenge to Commence in July -

Nikko Asset Management Co., Ltd. (Nikko AM) today announced the launch of the Japan-China Student Group Challenge -- a new Country Pick competition for students in Japan and China scheduled to commence in July 2012.

Japanese and Chinese student teams comprising of three members will battle it out for the top spot in Country Pick, Nikko AM's online virtual investment game. Over a period of two months from July 2 to August 31, participating teams will use one billion in-game yen or 100 million in-game yuan to invest in virtual index funds linked to the equities of 35 countries. They will compete against each other in terms of investment performance, analytical skills and reporting ability. Three teams each from Japan and China will then be selected through a screening process to represent their countries in a live final event on September 27. Nikko AM investment professionals will then analyze each team thoroughly to select a winner. A television conferencing system will be used during the final to link up Nikko AM's Tokyo and Hong Kong offices.

Nikko AM launched Country Pick in 2010 with the aim of familiarizing as many people as possible with mutual funds and investment in a fun but educational setting. By learning more about the global economy and the investment world, Country Pick players can learn about how business is done and broaden their global perspectives. Country Pick's student competition has hitherto been held with the aim of having students compete in terms of investment performance. But this year is special as it marks 40 years of normalized diplomatic relations between Japan and China. Therefore, Nikko AM has decided to launch the group challenge between the two countries with the hope of deepening understanding and facilitating cultural exchange between the students, by comparing the similarities and differences in their ways of thinking.

In addition, in the lead up to the start of the Japan-China Student Group Challenge, a student seminar on globalization will also be held at Nikko AM's Tokyo office on June 9, 2012. At this seminar, attendees will have the chance to think about what globalization actually means, and take part in a discussion on the knowledge and skills required to become a global professional.

Businesses continue to globalize and markets world wide are now more complex than ever. It is an age where a global perspective is needed, both for personal investment and business. Through this

Japan-China Student Group Challenge, Nikko AM hopes to provide an opportunity for students of the world to deepen their understanding of and interest in the global economy and current events.

Overview of

Country Pick 2012 Japan-China Student Group Challenge

- **Eligible countries:** Japan and China
- **Eligible players:** High school, university and post graduate students. Three players to one team.
- **Details of competition:**

Virtual investment management. In-game one billion yen or 100 million yuan to invest in virtual index funds linked to the equities of 35 countries. Japanese and Chinese teams with superior performance will be selected for a final event to decide the overall winner.
- **Competition period:** Two months - July 2 to August 31
- **Final:** September 27
 - Players: Six teams selected from preliminary stage (three each from Japan and China)
 - Venues: Japan - Nikko AM Tokyo office; China - Nikko AM Hong Kong office
- **Judging process and assessment criteria:**

Preliminary stage: Document screening. Final: Presentation selection. Assessment criteria will be comprised of investment performance, analytical skills and reporting abilities.
- **Judges:**
 - Director, President and CIO, Nikko AM Co., Ltd.
 - Head of Active Management Division, Nikko AM Co., Ltd.
 - Head of Investment Trust Sales Division and Marketing Division, Nikko AM Co., Ltd.
 - Head of Asia and Global Chief Marketing Officer, Nikko AM Hong Kong Limited
 - China Team Leader, Active Management Division, Nikko AM Asia Limited
 - Vice President, Rongtong Fund Management Co., Ltd.
- **Winners:** Japan-China overall winning team and first place teams from each country
- **Extra prizes:**
 - Overall winner: Certificate and gift voucher to the value of 30,000 yen or 3,000 yuan per person
 - Country winners: Tour of Nikko AM's office in opposing country (time frame to be determined)
 - Final participant teams: Gift voucher to the value of 10,000 yen or 1,000 yuan per person
- **How to enter:**

Form a three person team with friends from your school or university. Then select your team's countries for investment on the Country Pick website by 2:00 a.m. (EDT) Thursday, June 28.
- **Website:** <http://sekaino.toshinou.jp/jp/promo/student-groups2012summer>

Overview of Country Pick Student Seminar How to Become a Global Professional

- **Date and time:** Saturday June 9, 13:00 - 14:40 (reception from 12:30)
- **Venue:** Nikko AM Tokyo Office
- **Schedule:** 13:00-14:00 Panel discussion. Case examples of globalization, knowledge required to understand globalization, impacts on our lives, etc.
14:00-14:20 Question and answer session
14:20-14:40 Information on Country Pick 2012 Japan-China Student Group Challenge

Moderator:

Naoki Kobayashi, Manager of Tadacopy

After working at Sougei Co., Ltd. (now DG Communications), Daiko Advertising Inc. and Dentsu Inc., Naoki Kobayashi is now part of Oceanize, Inc., the company that operates the free Tadacopy printing service for students. During his time in the advertising business, he engaged in a wide variety of duties, including mass media PR and the creation of direct mail content. As a communications planner, his current role involves the facilitation of communication between university students and corporations. He has also been involved in the production of various events for university students, including the advance screening of the *The Social Network* at Keio University and *We Can't Change the World. But, We Wanna Build a School in Cambodia* at Meiji University, with a guest appearance from Osamu Mukai.

Panelists:

Sonoko Seo, Senior Market Analyst, Nikko AM

At Nikko Securities Co., Ltd. (now SMBC Nikko Securities), Sonoko Seo engaged in individual and corporate sales, equity research, investment data provision, and the development of derivative products, as well as overseeing the marketing division for equity as head of the equity marketing office. She joined Nikko AM in 2008. Sonoko is now the lead writer for the Nikko AM Fund Academy's *Raku Yomi* series, which makes complex financial concepts easy to understand, and also creates various other market-related educational documents.

Manabu Nomura, Foreign Fixed Income Professional, Nikko AM

Manabu Nomura joined Nikko Securities Investment Trust Management (predecessor to Nikko AM) in 1994. Although engaged in short-term funds management, such as MMFs, he also reported on the Bank of Japan. Later, as a foreign fixed income fund manager, he mainly handled the management of public pensions, as well as currency overlay. Currently, he is responsible for creating market explanatory material for Nikko AM's leading funds, such as the Tri-Asset Fund and LaSalle Global REIT Fund. He is also a popular lecturer on bonds and currency at the Nikko AM Fund Academy.

- **How to apply:**

Please fill in the required fields on the following application form on the Country Pick website: <http://sekaino.toshinou.jp/20120609studentseminar>. Applications will close when the maximum amount of entries has been received. Deadline for applications: 12 pm June 8

About Country Pick

Title:	Country Pick
Annual Competition:	Jan. 4, 2012 – Dec. 12, 2012 (Currently running; registration closed)
Winter Competition:	Jan. 4, 2012 – Mar. 30, 2012 (Finished)
Spring Competition:	Apr. 2, 2012 – Jun. 02, 2012 (Currently running; registration closed)
Summer Competition:	Jul. 2, 2012 – Sep. 28, 2012 (Open for registration)
Fall Competition:	Oct. 1, 2012 – Dec. 28, 2012

Details: Country Pick is an online virtual investment game in which players get \$10 million of in-game currency to create an investment portfolio from 35 countries available. It's a simple and fun way to learn about investing, as well as compete with other players across the world!

Investment Tools: Virtual index funds that are linked to the stocks of 35 countries and regions.

Participation: Completely free to play; sign up is quick and easy. (Players must participate in the version of the game that represents the country that they currently live in –Japan, China, or the US.)

Deadlines: Complete your portfolio before the dates listed below to participate in the Summer Competition. (Players who are already registered and listed in the rankings will be automatically placed in the competition.)

Japan: 6/28/2012 – 3:00pm

US: 6/28/2012 – 2:00am (East Coast)

China: 6/28/2012 - 2:00pm

Registration: Simply click the “Register” button the on website and fill out the registration form.

<http://sekaino.toshinou.jp>

QR Code (Japanese):



Comprehensive Risk Information on Mutual Funds

- ✓ Investment trusts invest in assets whose prices fluctuate (foreign currency-denominated assets contain exchange rate risk as well), so the NAV will fluctuate accordingly. It is possible that the NAV will fall below your original investment.
- ✓ 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:

<Fee charged directly at the time of purchase and redemption>

Purchase Application Fees:	Up to 4.2% (4.0% before tax)
Redemption fee :	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:	Up to 2.9975% (2.95% before tax)
	Some funds 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 borrowing and advances, fees related to securities lending, 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 June 4).
- 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 purchase).

■ Other matters to consider

- These materials were prepared for the purpose of providing information on investment trusts offered by Nikko AM.
- Article 37-6 of the Financial Instruments and Exchange Act (so called “cooling-off”) does not apply to transactions 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. Nor are investment trusts protected by the Investor Protection Funds when purchased at banks or other registered financial institutions.
- Any profit or loss derived from management of investment trusts belongs to all the beneficiaries. When purchasing to investment trusts, the distributor will provide you with an investment trust explanatory document (or prospectus distributed in advance of application) beforehand, so please be sure to verify the details and make your own decision whether or not to invest.

About Nikko Asset Management

Established in 1959, the Nikko Asset Management Group (Nikko AM) has grown to be the largest regional asset management company headquartered in Asia, with total AUM over US\$158 billion* and one of the largest distributor networks across the Asia-Pacific region, comprising over 300 banks, brokers 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 region, winning a number of prestigious awards which includes “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 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, with an extensive footprint across the Asia-Pacific region that includes local offices in Singapore, Hong Kong, Sydney, Melbourne, Brisbane and Auckland. Global offices in New York and London with full service teams provide support to investors in the US, Europe and the Middle East. Nikko AM holds a 40% stake in Rongtong Fund Management, the 7th largest Sino-foreign joint venture fund management group in China, while in Malaysia, a 51% stake in Asian Islamic Investment Management Sdn. Bhd. and a 30% stake in Hwang Investment Management Berhad – both leading investment management firms – add to Nikko AM’s regional presence**.

Nikko AM is majority owned by Sumitomo Mitsui Trust Holdings, while DBS Bank is the second largest shareholder.

Nikko AM continues to operate independently.

For more information, please visit www.nikkoam.com/english

* Consolidated assets under management and advice of Nikko AM and its subsidiaries as at 31 March 2012.

**As of December 2011