

PRESS RELEASE

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NIKKO ASSET MANAGEMENT CO., LTD.

## Nikko Asset Management Receives Two Awards from Asia Asset Management

Nikko Asset Management has been recognized for excellence in two categories by the Hong-Kong based publication Asia Asset Management. The firm won the Best of the Best Award for both the Japan: Most Innovative Product and the Singapore: Best RQFII House categories for 2015. This is the second consecutive year for Nikko Asset Management to win the Singapore: Best RQFII House Award.

The Tokyo-headquartered asset manager was recognized with the Japan: Most Innovative Product Award for one of its most innovative products in 2015, the Global Robotics Equity Fund. Launched in August, the fund attracted over 300 billion yen of inflows within three months, driven by Japanese investors' demand for greater exposure to robotics-related equities. The firm's research uncovered that fast-growing robotics companies were not well captured with a traditional sector-focused approach to investing. The Global Robotics Equity Fund was the first in Japan to focus on cross-sectoral robotics companies.<sup>1</sup>

"It's an honor to be recognized for our excellence in product development and innovation. I believe it's a strong testament to our firm's ability to not only recognize global investment trends but to provide our clients with the ability to benefit from them," said Hideo Abe, director and executive vice chairman at Nikko Asset Management.

The firm was also awarded the Singapore: Best RQFII House Award for its leadership in RQFII solutions. Nikko Asset Management launched Singapore's first retail China Onshore Bond Fund in July 2014. The fund opened up a highly regulated market with limited foreign investor access to Singaporean investors. Following the launch of the fund, investors were able to participate in the potential growth prospects of China's onshore bond market. The firm has been a pioneer in the offshore RMB bond fund market in Singapore since 2010.

In September 2015, the firm launched the Nikko AM China Equity fund in Singapore, offering retail investors the opportunity to benefit from the growth potential of the China A-shares market.

"This recognition as Singapore's best RQFII house validates our position as the industry leader in providing our clients with direct access to China, which is expected to account for 20 percent of global GDP by 2020 and become the world's largest economy within the next 15 years," said Eleanor Seet, President of Nikko Asset Management Asia, a subsidiary based in Singapore of Nikko Asset Management.

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<sup>1</sup> According to research conducted by Nikko Asset Management

## 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 4.32% (4.0% before tax)
Redemption fee:	Up to 1.08% (1.0% before tax)
Amount Retained in Trust Assets:	Up to 0.5%

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

Trust Fees:	Up to 3.026% (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 the day this content 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 purchase).

## Other matters to consider

- These materials were prepared for the purpose of providing information on investment trusts offered by Nikko AM.
- 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.

## Comprehensive Risk Information

### Important Information to Consider Regarding Investment Advisory Agreements and Discretionary Investment Agreements

The investments effected under discretionary investment agreements and advice rendered under investment advisory agreements covers primarily equities, bonds and/or other securities whose price fluctuates (subject also to exchange-rate fluctuation risk if denominated in foreign currencies). Accordingly, the estimated value of client assets under management fluctuates and may fall below the principal investment.

The main risks pertaining to investment advisory agreements and discretionary investment agreements are listed below:

1. Price fluctuation risk
2. Liquidity risk
3. Credit risk
4. Exchange-rate fluctuation risk
5. Country risk
6. Derivative risk
7. Risk unique to alternative strategies

#### Information on Fees and Charges Payable by Clients

- **Investment Advisory and Other Service Fees:** In consideration of the investment advisory agreement or discretionary investment agreement, the maximum investment advisory fee chargeable will be set by multiplying the outstanding balance of invested assets (an initial investment amount of at least 500 million yen is required) by 3.24% (3.0% net of tax) per annum, depending on the contract period. Certain agreements may include conditions charging a performance fee in addition to the fixed service fee.
- **Other Expenses:** Other expenses that may be incurred include brokerage commissions on securities included in portfolios. If investment trusts are included under a discretionary investment agreement, the following expenses may be incurred: trust fees charged to administer the investment trust, an exit charge, service fees upon subscription and redemption, brokerage commissions on transactions in portfolio securities, securities custody fees, administrative expenses, audit expenses, fund establishment related expenses, interest on loan borrowings, stock borrowing expenses, etc.

#### Important Information to Note

- As the performance fee and Other Expenses will change depending on the investment strategies and/or investment status, the rates or maximum amounts applicable thereto cannot be indicated in advance.
- The risks, fees and charges described above vary according to the details of specific agreements and other factors. Before entering into an agreement, please read the delivered prospectus carefully.

## About Nikko Asset Management

Nikko Asset Management is positioning itself to be Asia's premier global asset manager. The firm offers world-class asset management solutions for global investors, and has US\$146.4 billion (17.54 trillion yen) in assets under management\*. With more than 200 investment professionals\*\*, the firm leverages its extensive global resources representing over 30 nationalities across 11 countries. Headquartered in Asia for over 55 years, Nikko Asset Management's vantage point, extending east to west, distinguishes its investment approach.

For more information, please visit <http://en.nikkoam.com/>

\* Consolidated assets under management and sub-advisory of Nikko Asset Management and its subsidiaries as of September 30, 2015.

\*\* As of September 30, 2015, including employees of Nikko Asset Management and its subsidiaries.