

PRESS RELEASE

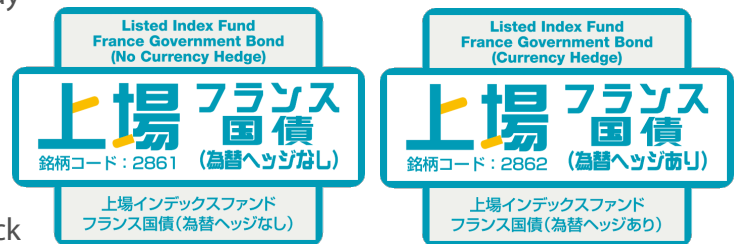
25 JULY 2022

NIKKO ASSET MANAGEMENT CO., LTD.

## Nikko AM to Launch Two France Government Bond ETFs

*Japan's first France Government Bond ETFs\*  
To be listed on the Tokyo Stock Exchange 17 August*

Nikko Asset Management Co., Ltd. (Nikko AM) today announces the listing of two new ETFs: **Listed Index Fund France Government Bond (No Currency Hedge)** and **Listed Index Fund France Government Bond (Currency Hedge)**. They will be Japan's first listed France Government Bond ETFs.\* Both will be launched on 12 August and listed on the Tokyo Stock Exchange on 17 August.



Name	Code	Tracking Index
<b>Listed Index Fund France Government Bond (No Currency Hedge)</b>	2861	Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Unhedged
<b>Listed Index Fund France Government Bond (Currency Hedge)</b>	2862	Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Hedged

**Listed Index Fund France Government Bond (No Currency Hedge)** tracks the performance of the Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Unhedged, a major France Government Bond market index. Similarly, **Listed Index Fund France Government Bond (Currency Hedge)** tracks the Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Hedged. The two indexes track overall investment returns on France Government Bonds with maturity of seven to 10 years.

France Government Bonds have a large outstanding amount in circulation among major eurozone countries, with a relatively high AA rating and relatively high yields\*\*. The two ETFs will be listed simultaneously to provide Japanese investors with attractive investment opportunities in the eurozone government bond market.

Nikko AM continues to develop innovative ETF products to meet the diverse needs of a wide range of investors, and strives to further enhance its product line-up to offer even more investment opportunities.

– ENDS –

\* According to Nikko AM research, as of the day this press release was published.

\*\* as of June 30, 2022

**Fund Outline for Exchange Trading**

Product Type	Open-end/Overseas/Fixed Income/ETF/Index type
Listed Exchange	Tokyo Stock Exchange
Listing Date	17 August 2022 (scheduled)
Securities Code	Listed Index Fund France Government Bond (No Currency Hedge): 2861 Listed Index Fund France Government Bond (Currency Hedge): 2862
Trading Unit on Exchange	10 units
Trust Period	Unlimited (launch date: 12 August, 2022)
Closing Dates	10 February, 10 May, 10 August and 10 November of each year
Dividends	In principle, all returns from interest, etc., arising from trust assets will be distributed after deduction of expenses, etc. *Future dividend payments and dividend amounts cannot be guaranteed.

**Outline of Fees, etc.**

Investors bear the following expenses:

Fees charged at the time of trading at the Exchange

- Trading Fees: Fees are determined by each authorized participant. Inquire with the relevant authorized participant for details. Fees are subject to Japanese consumption tax.

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

- Trust Fees: Fund: annual rate of up to 0.11% (0.1% excluding tax) of total net assets  
Securities invested in: annual rate of approx. 0.011% (0.01% excluding tax) of total net assets  
Actual amount borne: annual rate of approx. 0.121% (0.11% excluding tax) of total net assets  
\* Fluctuates according to weightings and changes to securities invested in, etc.
- Other Expenses An amount no greater than the total obtained by multiplying the fund's daily total net assets by an annual rate of 0.1% and multiplying the result by the trust period.  
Expenses including the following will be paid from trust assets at the times stipulated by the asset manager: (i) expenses for creating and delivering prospectuses, (ii) expenses for accounting and related services, (iii) expenses for producing summaries of accounts (if the services set forth in (i)–(iii) are outsourced, they will also include outsourcing fees), (iv) audit costs, (v) listing fees, and (vi) fees for using the Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Hedged and the Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Unhedged.  
\* Audit costs are expenses for audits of a fund paid to an auditing firm, etc. Brokerage fees for securities purchased, interest on borrowings and interest on advance payments are paid from trust assets upon occurrence.  
\* As miscellaneous expenses can vary depending on a fund's management status and other such circumstances, it is not possible to provide information such as rates and maximum amounts in advance. As the funds do not include any securities lending at present, no securities lending-related fees apply.

For more details, please refer to the investment trust explanatory document (prospectus distributed in advance of creation).

## Fund Outline

This is applicable to direct creations and redemptions of the fund, and not applicable to those investors who trade on the exchange.

Creation and Redemption Processing Hours	Orders will in principle be processed on the same business day if all administrative procedures prescribed by the authorized participant are completed by 3:00 p.m. Japan time.
Creation Value	Fund's Net Asset Value (NAV) as of business day following date of application receipt
Creation Units	No less than 2,000 units and as stipulated by authorized participant * Please direct inquiries to authorized participant
Redemption Value	NAV as of business day following date of application receipt
Redemption Units	No less than 2,000 units and in units of one * May vary depending on authorized participant. * If number of beneficiary rights held is below minimum trading unit specified by financial instruments exchange, beneficiary may apply for those beneficiary rights to be bought back. Inquire with authorized participant for details.

### Fees charged at the time of creation and redemption

- Creation Fees: Fees are determined by each authorized participant. Inquire with the authorized participant for details. The fees are subject to Japanese consumption tax.
- Redemption Fees: When a beneficiary makes a redemption request or applies to have beneficiary rights bought back, the authorized participant can collect any fees it has stipulated as well as the amount equivalent to the Japanese consumption tax applicable to said fees.  
\* Inquire with the authorized participant for details.
- Amount Retained in Trust Assets (Redemption charge): None

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

- Trust Fees: Fund: annual rate of up to 0.11% (0.1% excluding tax) of total net assets  
Securities invested in: annual rate of approx. 0.011% (0.01% excluding tax) of total net assets  
Actual amount borne: annual rate of approx. 0.121% (0.11% excluding tax) of total net assets  
\* Fluctuates according to weightings and changes to securities invested in, etc.
- Other Expenses: An amount no greater than the total obtained by multiplying the fund's daily total net assets by an annual rate of 0.1% and multiplying the result by the trust period.  
Expenses including the following will be paid from trust assets at the times stipulated by the asset manager: (i) expenses for creating and delivering prospectuses, (ii) expenses for accounting and related services, (iii) expenses for producing summaries of accounts (if the services set forth in (i)–(iii) are outsourced, they will also include outsourcing fees), (iv) audit costs, (v) listing fees, and (vi) fees for using the Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Hedged and the Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Unhedged  
\* Audit costs are expenses for audits of a fund paid to an audit firm, etc.  
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For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of creation).

**Risk Information**

Invested principal is not guaranteed. The investment's value may fall below the principal amount if a fall in market price and/or the NAV of the fund invested in causes a loss. All gains and losses from management of the funds are attributable to the investor (beneficiary). The funds are different to bank deposits.

As the funds are mainly invested in bonds, they may experience losses from falls in NAV caused by adverse impacts from bond price drops or adverse changes in a bond issuer's financial situation or results. Losses may also occur from exchange rate fluctuations if assets denominated in foreign currencies are included.

The major risk factors involved in investing in fund securities are as below:

[Price Fluctuation Risk] [Liquidity Risk] [Credit Risk] [Currency Risk]

\* Refer to the explanatory prospectus delivered prior to investment for details.

**Other Matters to Consider**

- This material was prepared by Nikko Asset Management to enhance investors' understanding of Listed Index Fund France Government Bond (Currency Hedge) and Listed Index Fund France Government Bond (No Currency Hedge).
- The authorized participant will provide a prospectus and other such explanatory materials prior to investment. Please be sure to read the materials before making your own investment decision.

## About the Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Hedged / Bloomberg France Treasury 7-10 Year Index TTM JPY Currency Unhedged

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## About Nikko Asset Management

With US\$243.2 billion\* under management, Nikko Asset Management is one of Asia's largest asset managers, providing high-conviction, active fund management across a range of equity, fixed income, multi-asset and alternative strategies. In addition, its complementary range of passive strategies covers more than 20 indices and includes some of Asia's leading exchange-traded funds (ETFs).

Headquartered in Asia since 1959, Nikko Asset Management and its subsidiaries employ personnel representing around 25 nationalities, including approximately 200 investment professionals\*\*. The firm has a presence through subsidiaries or affiliates in a total of 11 countries and regions. More than 400 banks, brokers, financial advisors and life insurance companies around the world distribute the firm's products.

The investment teams benefit from a unique global perspective complemented by the firm's historic Asian DNA, striving to deliver consistent excellence in performance. The firm also prides itself on its progressive, solution-driven approach, which has led to many innovative funds launched for its clients.

For more information about Nikko Asset Management and to access its investment insights, please visit the firm's [homepage](#).

\* Consolidated assets under management and sub-advisory of Nikko Asset Management and its subsidiaries as of 31 March 2022.

\*\* Including employees of Nikko Asset Management and its subsidiaries as of 31 March 2022.

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