

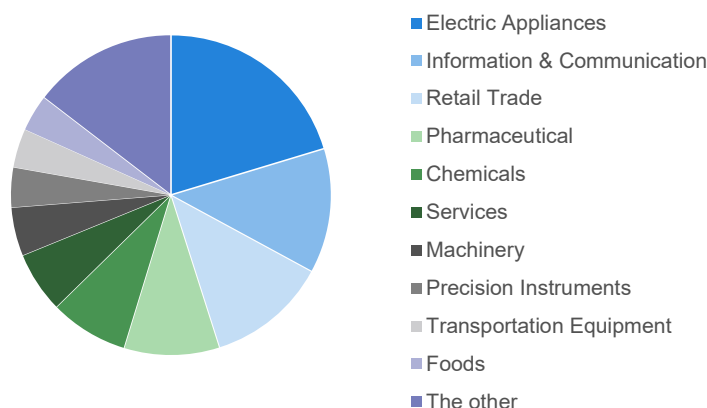
# Listed Index Fund 225

July 2020

## Product Description/Investment Objective

The Fund seeks to provide investors with a return linked as closely as possible to the performance of the Nikkei Stock Average (Nikkei 225), the Fund's benchmark Index. The Index is an equity index developed by Nikkei, Inc., and is calculated using 225 stocks representing the equity market from the component stocks of the First Section of the Tokyo Stock Exchange. The Nikkei 225 is a Dow-style adjusted price-weighted average. The Fund replicates the benchmark Index by holding the equity securities which make up the benchmark index, in similar proportions to it.

## Sector Allocation Top10



Sector Allocations Top10	Weight
Electric Appliances	20.33%
Information & Communication	12.58%
Retail Trade	12.18%
Pharmaceutical	9.65%
Chemicals	7.93%
Services	6.16%
Machinery	4.91%
Precision Instruments	4.03%
Transportation Equipment	3.93%
Foods	3.70%

## Key Facts

Domicile	Japan
Benchmark Index	Nikkei 225
Securities in Index	225
Number of Holdings	225
Product Methodology	Full Physical Replication
Rebalance Frequency	Annual
Fiscal Year End	8 July
Total Net Assets (JPY)	2,887,478 million
NAV per Share (JPY)	22,270
Use of Income	Distributing
Distribution Yield	1.71%
Dividend Frequency	Yearly
Last distribution paid	08 July 2020
Ongoing Charges (bps)	29.52
Management and Trustee Fee (bps)	22.50
Inception Date	09 July 2001
Base Currency	JPY
Total Return Index Ticker	NKYTR
Price Index Ticker	NKY
ISIN	JP3027660004
Bloomberg Ticker	1330 JP Equity
Trading Currency	JPY
UK Reporting Status	Yes
Investment Manager	Nikko Asset Management Co., Ltd
Round Lot	10

## Product Performance

Cumulative Performance	Fund (NAV)	Fund (Market Price)	Index (Price)
YTD	-8.91%	-8.95%	-8.23%
1 Months	-4.26%	-4.17%	-2.59%
3 Months	5.76%	5.85%	7.51%
6 Months	-7.12%	-7.13%	-6.44%
1 Year	1.00%	1.00%	0.88%
Since Inception	81.94%	81.06%	77.37%
Calendar Year Performance			
2019	18.17%	18.51%	18.20%
2018	-11.91%	-12.13%	-12.08%
2017	19.40%	19.48%	19.10%
2016	0.43%	0.51%	0.42%
2015	9.37%	9.21%	9.07%

Past performance is not a guide to future returns.

Index and Fund returns exclude dividends. Timing difference between distributions of companies and the Fund may cause a short-term performance dispersion between Fund performance and the Index between end of March and the Fund distribution date.

## Portfolio Holdings

Top 10 Holdings	Weight
Fast Retailing Co.,Ltd.	9.24%
Softbank Group Corp.	6.53%
Tokyo Electron Limited	4.75%
KDDI Corporation	3.22%
Daikin Industries,Ltd.	3.04%
Fanuc Corporation	2.92%
Terumo Corporation	2.62%
Chugai Pharmaceutical Co.,Ltd.	2.34%
M3,Inc.	2.13%
Shin-Etsu Chemical Co.,Ltd.	2.02%

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## Performance Chart



\*NAV is the price per 1 unit after management fees (trust fees) have been deducted.  
\*The performance, data, etc., noted above are based on past information and neither guarantee nor promise future performance.

## Risk Information

**Investors are not guaranteed the investment principal that they commit. Investors may incur a loss and the value of their investment principal may fall below par as the result of a decline in market price or NAV. All profits and losses arising from investments in the Fund belong to the investors (beneficiaries). This fund is different from saving deposit.**

The Fund invests primarily in stocks. The NAV of the Fund may fall and investors may suffer a loss due to a decline in stock prices or deterioration in the financial conditions and business performance of an equity issuer.

Major risks are as follows:

### 1. Price Fluctuation Risk

Stock prices fluctuate as they are affected by information on the company's growth rate and profitability as well as changes in such information. They also fluctuate as they are affected by economic and political conditions in Japan and abroad. There is a risk that the Fund will suffer material losses if unexpected changes occur in stock price or liquidity.

### 2. Liquidity Risk

The Fund may incur unexpected losses when the size of the market or trading volumes is small. The purchase and sale prices of securities are influenced by trading volume, resulting in the risks that they cannot be traded at prices expected to be realized in light of the prevailing market trend, sold at the estimated prices, or that the trading volume is limited regardless of the level of prices.

### 3. Credit Risk

There is a risk that the Fund will incur material losses in the event of a serious crisis that directly or indirectly affects the business of a corporation in which the Fund invests. The prices of stocks of issuers may substantially decline (possibly to zero) due to fears of default or corporate bankruptcy, which can contribute to decline in the Fund NAV.

### 4. Security-lending Risk

Lending of securities involves counterparty risks, which are the risks of contractual default or cancellation following bankruptcy, etc., by the counterparty. As a result, the Fund may suffer unexpected losses. Following the default or cancellation of a lending agreement, when liquidation procedures are implemented by using the collateral that is set aside in the lending agreement, the procurement cost of buying back the securities can surpass the collateral value, due to price fluctuations in the market. In such cases, the Fund is required to pay the difference, which may cause the Fund to incur losses.

### <Risk of Discrepancy between the Nikkei 225 and NAV>

The Fund seeks to match the NAV volatility with that of the Nikkei 225, but it cannot guarantee that movements will be consistent with the Index for the following reasons:

- The Fund may be subjected to a market impact when buying or selling individual stocks as it adjusts its portfolio in response to changes in the stocks that comprise the Nikkei 225 and capital changes among corporations. In addition, the Fund will incur various expenses, including trust fees, brokerage commissions, and audit fees.
- Dividends may be paid by stocks in the portfolio and fees may be earned for securities lent.
- When derivative transactions such as futures are made, there may be disparity between the price movements of such transactions and that of some or all of the constituents of the Nikkei 225.

### <Discrepancy between the market prices at which stocks are traded on financial instruments exchanges and the NAV>

The Fund is listed on the Tokyo Stock Exchange and the units are traded on that exchange. The market price of the units is affected primarily by the size of demand for the Fund, its performance, and how attractive it is to investors in comparison with their other investments. It is not possible to predict whether the units will sell in the market above or below the NAV.

\* The factors that contribute to fluctuations in the NAV are not limited to those listed above.

### Additional Considerations

- These materials are distribution materials created by Nikko Asset Management in order to increase investors' understanding of "Listed Index Fund 225".
- The provisions stipulated in Article 37-6 of the Financial Instruments and Exchange Act ("cooling-off period") are not applicable to Fund transactions.
- This Fund differs from deposits or insurance policies in that it is not protected by the Deposit Insurance Corporation of Japan or the Policyholders Protection Corporation of Japan. Furthermore, units purchased from registered financial institutions, such as banks, are exempted from compensation by the Japan Investor Protection Fund.
- When applying to invest in the Fund, please make the decision to invest carefully after taking the time to read the delivered pre-agreement document and other relevant materials in detail.

# Listed Index Fund 225

July 2020

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