

< Disclaimer for the English Translation of the Delivery Prospectus of Listed Index Fund TOPIX Ex-Financials >

This document is an English translation of the Japanese “Summary Prospectus” (the “Delivery Prospectus”) of Listed Index Fund TOPIX Ex-Financials” (the “Fund”). The Japanese Delivery Prospectus is the offering document. This English translation is not required by law or any regulation.

While every effort has been made to ensure the accuracy or completeness of this translation, Nikko Asset Management Co., Ltd. cannot guarantee this translation is accurate or complete as differences of interpretation may arise between the English and Japanese language. In the event of any inconsistency between this English translation and the Japanese version, the Japanese version shall prevail, except to the extent prohibited by the applicable law of any jurisdiction where the units of the Fund are sold.

Except as otherwise indicated herein, this material is based on the Japanese version dated as of 9 April 2021. In case of any update to or modification of the Japanese version of the terms and conditions, there is no guarantee that a corresponding update or modification will be made to this English translation.

This translation of the Delivery Prospectus has been prepared by Nikko Asset Management Co., Ltd. for English speaking investors for information purposes. Investors should not subscribe for these securities solely relying on this document, as this is a translation of the original Delivery Prospectus. As the English translation may differ from the Japanese Prospectus as explained above, this document does not contain or constitute, and should not be relied upon as an offer or invitation to make an offer for the purchase of these securities (including units of the Fund) to any person or entity in any jurisdiction.

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Listed Index Fund

TOPIX Ex-Financials

Nickname: JoJo TOPIX (Ex-Financials)

Open-end Investment Trust, Domestic, Equities, ETF, Index type

- This prospectus is published pursuant to the provisions of Article 13 of the Financial Instruments and Exchange Act (No. 25 of 1948).

Please read this document carefully before deciding to subscribe to units of the Fund.

- The prospectus for the Fund provided under Article 15, Paragraph 3 of the Financial Instruments and Exchange Act (hereinafter referred to as "Prospectus Issued upon Request") can be read or downloaded from the website of the Management Company. You can also obtain a copy of the Prospectus Issued upon Request from a Distributor. If you do so, please make a personal record to that effect.
- This document includes the main contents outlined in the trust deeds. The complete text of the trust deeds is provided in the Prospectus Issued upon Request.
- For information on the NAV or Distributors of the Fund, please contact the following Management Company.

Management Company (the party issuing investment instructions for the Fund)

Nikko Asset Management Co., Ltd Registration Number: Director of the Kanto Local Financial Bureau (Financial instruments firms) No. 368

Website: www.nikkoam.com/

Call Center contact number: +81(0)3-6447-6653 (9 a.m.-5 p.m., excluding Saturdays, Sundays and public holidays)

Trustee (the party responsible for custody and management of Fund assets)
Sumitomo Mitsui Trust Bank, Limited

Established and managed by

Nikko Asset Management Co., Ltd.

- When a significant amendment is made to the content of the Fund, we will confirm the intention of investors (beneficiaries) in advance under the Act on Investment Trust and Investment Corporations (No. 198 of 1951).
- The Fund assets are classified and managed by the Trustee under the Trust Act (No. 108 of 2006).
- In connection with the invitation for subscription to Listed Index Fund TOPIX Ex-Financials, which is extended by way of this prospectus, the Management Company filed a securities registration statement with the Director-General, Kanto Local Finance Bureau on April 8, 2021 pursuant to the provisions of Article 5 of the Financial Instruments and Exchange Act. The filing took effect on April 9, 2021.

Product Classification					Segmentation by Attribute			
Unit-Type/ Open-end Investment Trust	Eligible Market	Eligible Investments (Source of Income)	Independent Segment	Supplementary Classification	Eligible Investments	Timing of Accounting Period	Geographical Areas of Investment	Index Followed
Open-end	Domestic	Equities	ETF	Index type	Equities in General	Semi-annually	Japan	Other (TOPIX Ex-Financials)

Please refer to the Investment Trusts Association, Japan website for definitions of products classification and segmentation by attribute at <https://www.toushin.or.jp/>.

Management Company Details:

Name: Nikko Asset Management Co. Ltd.
Date of establishment: December 1, 1959
Capital: 17,363.04 million yen
Total net asset value of investment trust assets under management 24,590.1 billion yen
(As of the end of January 2021)

Objective and Characteristics of the Fund

Objective of the Fund

The Fund seeks to achieve a NAV that closely correlates with the movement of the TOPIX Ex-Financials by investing in shares of the component stocks of the TOPIX Ex-Financials, and maintaining, in principle, a portfolio constructed consistent with the calculation method of the TOPIX Ex-Financials.

- * TOPIX Ex-Financials is calculated using free-float adjusted market capitalization as an index and targets issues that exclude those belonging to insurance, banking, securities and commodity futures trading industries, and other financial operations from issues calculated for TOPIX (Tokyo Stock Price Index).

TOPIX Ex-Financials is calculated by setting the July 5, 1993 closing price as the base time and setting the total market value on that date as 1,000 points.

"33 industries specified by the Securities Code Council" shall be used when classifying industries.

$$\text{TOPIX Ex-Financials} = \frac{\text{Total market value (yen)}}{\text{Total market value (yen) at the base time}} \times 1,000$$

Copyrights and Other Rights of TOPIX Ex-Financials

- The TOPIX Ex-Financials index price and the TOPIX trademarks are intellectual property rights owned by the Tokyo Stock Exchange. All rights and know-how relating to the TOPIX Ex-Financials, including calculation, publication and use of this index price, as well as all rights relating to the TOPIX trademarks belong to the Tokyo Stock Exchange.
- The Tokyo Stock Exchange reserves the right to change the method of calculation or publication, to cease the calculation or publication of the TOPIX Ex-Financials index price, or to modify the TOPIX trademarks or cease the use thereof.
- The Tokyo Stock Exchange makes no warranty or representation as to the results derived from the use of the TOPIX Ex-Financials index price and TOPIX trademarks, as well as the TOPIX Ex-Financials index price of a particular date.
- The Tokyo Stock Exchange does not guarantee the accuracy or completeness of the TOPIX Ex-Financials index price and data contained therein. Further, the Tokyo Stock Exchange shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Ex-Financials index price.
- This Fund is not in any way sponsored, endorsed or promoted by the Tokyo Stock Exchange.
- The Tokyo Stock Exchange does not bear any obligation to give an explanation of this Fund or advice on investments to any purchaser of this Fund or to the public.
- The Tokyo Stock Exchange does not consider the needs of Nikko Asset Management Co., Ltd. or purchaser of this Fund in terms of issue composition and calculation for calculating the TOPIX Ex-Financials index price.
- Including but not limited to the above items, the Tokyo Stock Exchange shall not be responsible for any damage resulting from the subscription into, sale or marketing of this fund.

1. This Fund aims to achieve investment returns that link with the movement of TOPIX Ex-Financials.

- This Fund aims to match the change in net assets per trust asset unit with the rate of change in "TOPIX Ex-Financials" and in principle invest in the equities that make up the "TOPIX Ex-Financials".
- * The investment management described above may not be carried out due to market and financial conditions.

2. Units are listed on Tokyo Stock Exchange and can be traded at any time during trading hours.

- Units may be traded in blocks of 1 unit (as of the date when the securities registration statement was filed).
- The brokers determine trading commissions.
- The method of trading is generally the same as that for stocks.
- *Please contact your broker for further information.

3. Units are subscribed for with cash.

- Units are subscribed using the NAV on the day the subscription is accepted.

4. Units may be redeemed for cash before maturity with a request for exchange.

- Units may be redeemed by the NAV on the day redemption is accepted.

5. Units may not be exchanged for stocks.

Main Investment Restrictions

- There is no restriction as to the investment ratio in stocks.
- There is no restriction as to the investment ratio for assets denominated in foreign currency.

Distribution Policy

- As a general rule, the full amount of dividends and other income arising from the trust assets is distributed after deduction of expenses.

*There is no guarantee for the amount and payment of dividends in the future.

Investment Risks

The major risks associated with investment in the Fund are outlined below. Investors should ensure they carefully examine and understand fully these risks before deciding to subscribe to units of the Fund.

Factors that contribute to fluctuations in the NAV

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 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. Investors may also incur losses due to exchange rate fluctuations when investing in assets denominated in foreign currencies.

Major risks are as follows:

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.

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.

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.

Foreign Currency Risk

- For foreign currency-denominated assets, generally if the foreign exchange market moves so that the yen appreciates against the currency in which the concerned assets are held, the fund's NAV may depreciate as a result.

Security-lending Risk

- Lending 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.

Discrepancy factors between the TOPIX Ex-Financials and the NAV

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

- The Fund may be subjected to market impact when buying or selling individual stocks as it adjusts its portfolio in response to changes in the stocks that comprise the TOPIX Ex-Financials and capital changes among corporations. In addition, the Fund will incur various expenses, including trust fees, brokerage commissions, and audit fees.
- The management fee from lending securities or dividends of incorporated issues.
- When derivatives 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 TOPIX Ex-Financials.

Discrepancy between the market prices at which stocks are traded on 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 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.

*Factors that contribute to NAV fluctuations are not limited to those listed above.

Additional Considerations

- **The provisions stipulated in Article 37-6 of the Financial Instruments and Exchange Act (the "cooling-off period") is 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, the Japan Investor Protection Fund will not pay any compensation for units purchased from registered financial institutions, such as banks.**

Risk Management System

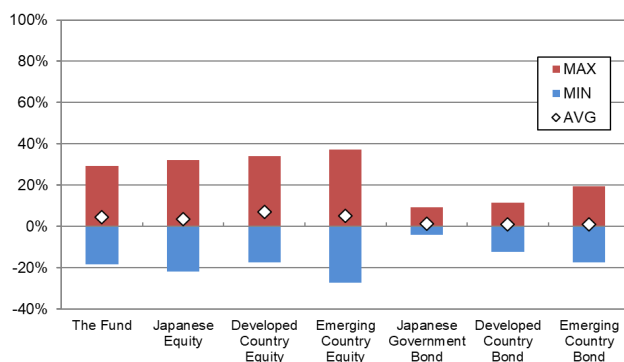
- **The departments in charge of risk management and compliance perform the evaluation and analysis of risks and performance, risk management, and monitoring of the status of compliance with laws, and are independent from fund management departments.**
- **To maintain an appropriate management system, the department in charge of risk management and compliance will report and make proposals to the committees associated with risk management and compliance, and instruct fund management departments to take corrective actions as necessary.**

* The system described above is as of end of January 2021, and may be subject to change in the future.

(Reference information)

Comparison of fluctuations the fund with other representative asset classes

February 2016~January 2021



< Average, annual Maximum, and Minimum fluctuations of this fund and other representative assets(%) >

	The Fund	Japanese Equity	Developed Country Equity	Emerging Country Equity	Japanese Government bond	Developed Country Bond	Emerging Country Bond
AVG	4.6%	3.7%	7.1%	5.3%	1.4%	1.0%	1.1%
MAX	29.3%	32.2%	34.1%	37.2%	9.3%	11.4%	19.3%
MIN	-18.5%	-22.0%	-17.5%	-27.4%	-4.0%	-12.3%	-17.4%

- ※The above is compiled to compare the fund to representative asset classes quantitatively.
- ※All asset class may not be investments in the fund.
- ※The above is the Maximum, Minimum, and Average of the last year's fluctuations in the percentage at the end of each month for five years from February 2016 to January 2021 for the fund and other representative asset classes. This fund's fluctuations in the percentage are theoretical data calculated with dividends reinvested (before tax) and may differ from the data calculated based on NAV.

<Indices of each asset class>

Japanese Equity:

Tokyo Stock Price Index(TOPIX, Total return)

Developed Country Equity:

MSCI Kokusai Index(Total return, Yen based)

Emerging Country Equity:

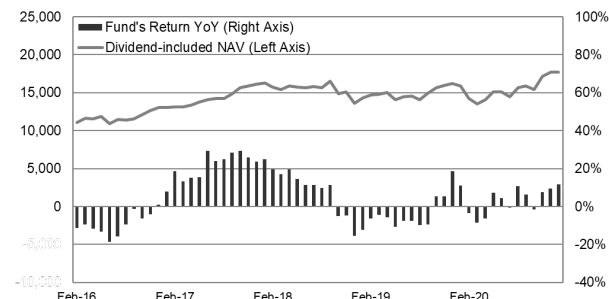
MSCI Emerging Markets Index(Total return, Yen based)

※Indices of foreign assets are calculated in JPY with no currency hedge.

Changes in annual fluctuations and Dividend-included NAV of the fund

February 2016~January 2021

(Yen)



- ※NAV is the price per 10 units after management fees (trust fees) have been deducted.
- ※Dividend-included NAV is calculated based on the NAV as of the end of February, 2016.
- ※The fund's Dividend-included NAV and fluctuations in the percentage are theoretical data calculated with dividends reinvested (before tax) and may differ from the data calculated based on NAV. Please note that the fund is using the date for the benchmark in case there is no annual fluctuation in the percentage.

Japanese Government bond:

Nomura BPI Government

Developed Country Bond:

FTSE WGBI (ex Japan, Yen based)

Emerging Country Bond:

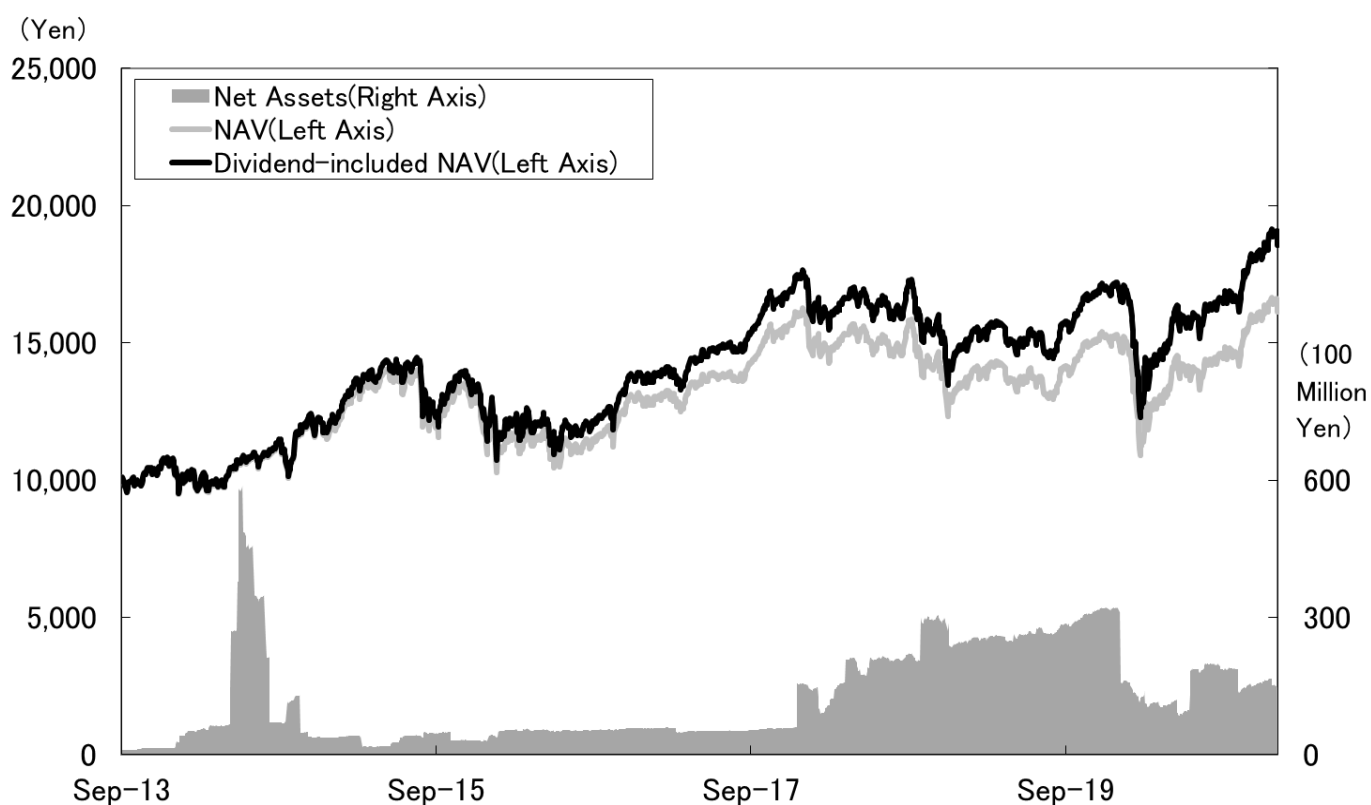
JPM GBI-EM Global Diversified Index(Non-hedge, Yen based)

Past Performance

As of January 29, 2021

■ Changes in NAV/Net Assets

Launch Date(September 24 2013)~January 29 2021



NAV ¥ 16,120

AUM ¥ 14.457 billion

*NAV is the price per 10 units after management fees (trust fees) have been deducted.

*Please be aware that the dividend-included NAV is a theoretical value calculated with dividends reinvested (before tax).

■ Dividends Paid (before tax, per 10 units)

Jan-19	Jul-19	Jan-20	Jul-20	Jan-21	Cumulative
JPY 110	JPY 160	JPY 140	JPY 180	JPY 150	JPY 1,860

■ Status of Major Assets

<Component and Breakdown>

Asset Types	%
Equity	99.53%
Futures	0.00%
Cash and Others	0.47%

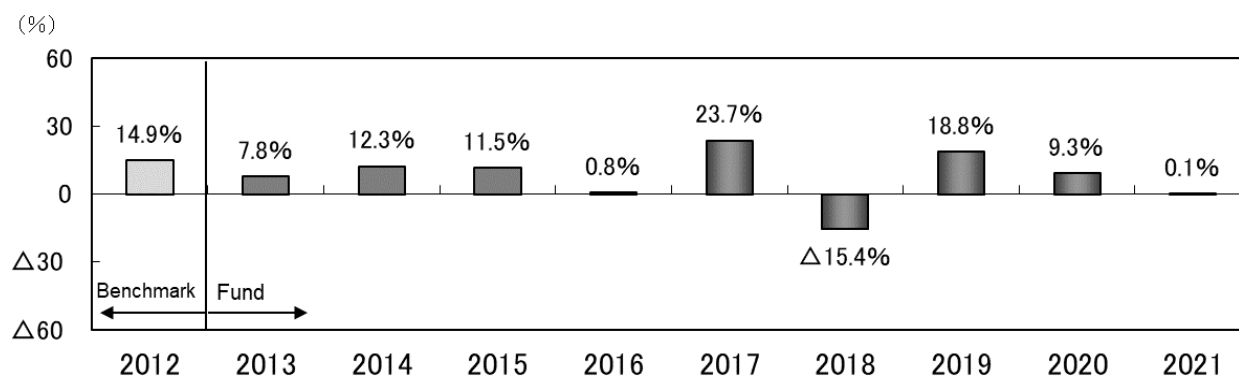
*As percentage of total assets.

<Top10 Component Shares>

	Name	Sector	%
1	TOYOTA MOTOR CORPORATION	Transportation Equipment	3.25%
2	SOFTBANK GROUP CORP.	Information & Communication	2.78%
3	SONY CORPORATION	Electric Appliances	2.77%
4	KEYENCE CORPORATION	Electric Appliances	2.45%
5	NINTENDO CO.,LTD.	Other Products	1.51%
6	NIDEC CORPORATION	Electric Appliances	1.47%
7	SHIN-ETSU CHEMICAL CO.,LTD.	Chemicals	1.45%
8	RECRUIT HOLDINGS CO.,LTD.	Services	1.37%
9	TAKEDA PHARMACEUTICAL COMPANY LIMITED	Pharmaceutical	1.35%
10	NIPPON TELEGRAPH AND TELEPHONE CORPORATION	Information & Communication	1.32%

*As percentage of total assets.

■ Annual Returns



*The annual rates of return are calculated with dividends reinvested (before tax).

*Figures before 2012 are for the return rate of the benchmark (TOPIX Ex-Financials)

*The benchmark provides reference information only and does not indicate Fund performance.

*The figure for 2013 shows fluctuations in the percentage from the inception up until the end of 2013.

*The figure for 2021 shows fluctuations in the percentage up until the end of January 2021.

* The above graph represents past performance and does not guarantee future investment results.

* Investment performance of the Fund will be disclosed on the Management Company website.

Procedures, Fees, and Other Considerations

Subscription Memorandum

Subscription Units	Units to be determined by the distributors starting at no less than 1,000. * Please contact the distributor for information on subscription units.
Subscription Price	The NAV on the day the subscription is accepted.
Subscription Method	Please make the payment by the day designated by the distributor.
Redemption Units	One unit of at least 1,000 units * Units to be determined by the distributor. * A beneficiary may ask a Distributor to buyback his or her units where the total number of units owned is less than the minimum-trading unit for the units established by the stock exchange. Please contact the distributors for details.
Redemption Price	NAV on the day the redemption is accepted.
Redemption Proceeds	As a rule, payment will be made from the fourth business day after and including the day on which a redemption request is made.
Business Hours for Subscription and Redemption	As a rule, applications for subscription and redemption that are completed by 2 p.m. on the days Distributors are open for business are deemed to have accepted on that day. It must be pursuant to the procedures established by the Distributor.
Subscription Period	From April 9, 2021 to October 8, 2021. *The subscription period can be renewed by filing another securities registration statement before the expiration date shown above.
Non-acceptance Days for Subscription and Redemption	In principle, even on days when distributors are open, no subscription or redemption application shall be accepted if its subscription or redemption date falls within the period of two business days, beginning two business days prior to the accounting date (For a period of three business days, beginning three business days prior to the accounting date when the accounting date falls on non-business day.). Please contact the distributors for details.
Restrictions on Redemption	Based on the size of the Fund or the product characteristics, the redemption application time and amount may be restricted for large number of units to avoid interference with investment management.
Subscription or Cancellation of Subscription, Redemption Applications	The Management Company may suspend acceptance of applications for subscription or requests for redemptions, or cancel applications for subscription or requests for a redemption that have already been accepted in the event that trading on the financial instruments exchanges is suspended, trading of foreign exchange is suspended, settlement functions are halted, or any unavoidable circumstances arise.
Trust Term	Unlimited (launch date: September 24, 2013)

Early Termination	<p>The Fund will be terminated early in any of the following cases:</p> <ul style="list-style-type: none"> • If the units are delisted on all the financial exchanges. • If the TOPIX Ex-Financials is discontinued. • If any amendment to the trust deed deemed necessary by the Management Company or Trustee as a result of a change in the calculation method or similar of the TOPIX Ex-Financials is not accepted by a written resolution. <p>The Fund may be terminated early in any of the following cases:</p> <ul style="list-style-type: none"> • If the total NAV falls below JPY 500 million • If it is deemed advantageous for beneficiaries, or • If unavoidable circumstances arise.
Closing Date	January 8 and July 8 each year
Income Distribution	<p>Distributions are paid twice a year in accordance with the distribution policy.</p> <p>* In general, the Trustee will pay to each beneficiary their income distribution by wire transfer on the day specified by the Management Company but within 40 days of the end of each calculation period in the bank account designated in advance by the beneficiary. Where a beneficiary has signed a separate agreement with his or her broker in connection with the treatment of income distribution, payment will be made pursuant to the provisions of such agreement.</p>
Maximum Amount of Trust Money	Equivalent to JPY 5 trillion
Public Notification	<p>Electronic public notices are posted on the website of the Management Company. URL: www.nikkoam.com/</p> <p>* In the event that electronic public notices cannot be posted due to unavoidable circumstances, this will be published in <i>The Nikkei</i>.</p>
Investment Reports	As defined in the Act on Investment Trust and Investment Corporations, investment reports are not prepared and published.
Tax Treatment	<p>For tax purposes, the Fund is treated as an exchange-traded fund (ETF).</p> <ul style="list-style-type: none"> • Publicly-offered Equity Investment Trusts can be held in Nippon Individual Savings Account. • Tax credits for dividends will not apply. • As a general rule, the system excluding dividends from gross revenue will not apply.

Fund Expenses and Taxes

Fund Expenses

Expenses to be borne directly by investors

Subscription Fee	<p><u>Independently set by Distributors</u></p> <p>*Please contact your Distributor for further information.</p> <p>* Subscription Fee is compensation for explanation and information providing about the Fund or investment environment, and is also including expense of clerical processing of the subscription.</p>
Redemption Fee	<p><u>Independently set by Distributors</u></p> <p>*Please contact your Distributor for further information.</p> <p>* Exchange Fee is compensation for clerical processing of the exchange.</p>
Amount to be Retained in Trust Assets	<p><u>None</u></p>

Expenses to be borne indirectly by investors from trust assets

TER(Total Expense Ratio)	<p>0.2092% (TER includes Trust Fee, management fee and other costs below)</p> <p>※ This represents the actual TER for the period of January 9, 2020 – January 8, 2021</p>
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Investment Management Expenses (Trust fee)	<p><u>No more than 0.0968% (0.088% excluding taxes) per annum of the Fund's daily NAV</u></p> <p>The investment management fee is daily recorded and paid out of the trust assets at the end of each calculation period or at the time of termination of the Trust.</p> <p><Distribution of Investment Management Expenses(annual rate)></p> <p>When above is 0.088%, as of the date of filing of the securities registration statement.</p> <table border="1" data-bbox="406 1220 1343 1361"> <tr> <th colspan="3">Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate</th> </tr> <tr> <th>Total</th> <th>Management Company</th> <th>Trustee</th> </tr> <tr> <td>0.088%</td> <td>0.060%</td> <td>0.028%</td> </tr> </table> <table border="1" data-bbox="406 1400 1343 1563"> <tr> <td>Management Company</td> <td>Compensation for investment management</td> </tr> <tr> <td>Trustee</td> <td>Compensation for administration of assets under management and execution of orders from Management Company</td> </tr> </table> <p>*Figures in brackets are excluding tax. Consumption tax will be added.</p>	Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate			Total	Management Company	Trustee	0.088%	0.060%	0.028%	Management Company	Compensation for investment management	Trustee	Compensation for administration of assets under management and execution of orders from Management Company
Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate														
Total	Management Company	Trustee												
0.088%	0.060%	0.028%												
Management Company	Compensation for investment management													
Trustee	Compensation for administration of assets under management and execution of orders from Management Company													

Other Expenses and Fees	Expenses (Expenses for preparation of Prospectus and other expenses)	<p><u>No more than 0.1% per annum of the Fund's daily NAV</u></p> <p>1. Expenses for the preparation and distribution of prospectuses, 2. Cost for accounting and its incidental operations, 3. Cost for preparation of financial summary statement (including outsourcing fee in case of outsourcing the (1) - (3) operations), 4. Auditing fees, 5. Fees related to the listing of the fund, 6. Royalties for the "TOPIX Ex-Financials", and others are paid out of the trust assets at the times specified by the Management Company.</p> <p>* Auditing fee is an expense paid to audit firm for auditing of the Fund</p>
	Brokerage Commissions And Other Fees	<p>Brokerage commissions on securities in the portfolio, interest on borrowings, interest on advances, lending fee (in case security lending is conducted, the amount obtained by multiplying a lending fee on securities lent by a figure which is profit for Trust Assets, not exceeding 0.55 (0.5 excluding taxes) (0.5 excluding taxes as of the date of the filing of the securities registration statement), and other fees are paid out of the trust assets each time they are incurred.</p> <p>* The figures for items such as the rate and maximum amount cannot be provided in advance as they fluctuate in line with investment performance and other factors.</p>

The total amount of expenses of the Fund to be borne by investors varies according to holding length and investment status, and thus cannot be shown.

Tax Treatment

Tax treatment for Japanese individual investors

1) Taxation upon sale of units

- Gains on sale (capital gains) are deemed to be income from transfer and thus have to be filed to declare for separate taxation at 20.315%. When a beneficiary has chosen a designated account with tax withholding (an account with tax withholding at the taxpayer's option), tax will be withheld at source at 20.315%. (As a general rule, tax filing is not necessary.)

2) Taxation upon receipt of income distributions

- Income distributions are regarded as dividend income, and tax is withheld at source at 20.315%. (As a general rule, tax filing is not necessary.) You can also file a tax return, and choose either separated taxation, based on declaration, or consolidated taxation (under which dividends received deduction will not apply).

3) Tax on Cancellation and Termination Fee

- Gains upon cancellation or termination (capital gains) are deemed to be income from transfer and thus have to be filed to declare for separate taxation at 20.315%. When a beneficiary has chosen a designated account with tax withholding (an account with tax withholding at the taxpayer's option), tax will be withheld at source at 20.315%. (As a general rule, tax filing is not necessary.)

- * By filing a tax return, you can offset losses upon sale (capital losses) against capital gains from listed stocks, dividends etc. from listed stocks, and interest income from public and corporate bonds and such like (as long as separated taxation has been chosen upon declaration). In addition, gains on sale (capital gains), income distributions, and interest income from public and corporate bonds etc. (if separated taxation has been chosen upon declaration) can be offset against capital losses from listed stocks and such like.

- * When investing through a Nippon Individual Savings Account (NISA), income gains and capital gains from the investments in Publicly-offered Equity Investment Trusts will be tax-free for five years if the investments have been newly purchased within 1.2 million yen per year. Investors need to meet certain conditions, such as aged 20 or above, having opened a tax-free account at a Distributor. In addition, when investing through a Junior NISA, income gains and capital gains from the investments in Publicly-offered Equity Investment Trusts will be tax-free for the next five years for those under 20 years old as long as the newly purchased investment amount is less than 0.8 million yen every year. For further details, please contact a Distributor.

- * In cases of being applied to the foreign tax deduction, tax on distributions may differ from the aforementioned descriptions.

*The aforementioned descriptions do not apply to Japanese corporations.

*Above tax rates are as of April 8, 2021, so those may change in the event that tax laws are revised. We recommend that investors consult a tax or similar specialist for details of tax treatment.

nikko am