

News Release

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Russell/Nomura Japan Equity Indexes added 24 new firms in annual reconstitution

The family of Russell/Nomura Indexes, which capture 98% of the float-adjusted market capitalization of the Japanese equity market, added 24 new firms as part of the annual reconstitution process on December 3, announced Nomura Securities Co., Ltd. and Russell Investments. The membership list was posted on <http://qr.nomuraholdings.com/en/frcnri/index.html>.

Yasuyuki Kato, Senior Managing Director of Nomura Securities, said, "The Russell/Nomura Indexes are fully reconstituted annually to reflect changes in the Japanese marketplace while minimizing the turnover costs required to reflect the changes, because regular updates are essential for accurate representation of the market. At the annual reconstitution, objectivity of the index management process is carefully maintained."

The total number of the firms in the Russell/Nomura Total Market Index became 1,500, a decrease by 166. While 221 were eliminated from the Index, there were 55 additions, 24 of which were included in the Index for the first time. The total capitalization of the Index increased from 358 trillion yen to 362 trillion yen (as of October 15, 2007, after float-adjusted).

"The Russell/Nomura Indexes have comprehensive coverage of the Japanese equity markets, and the constituents are decided by accurate float-adjusted weighting and highly transparent rules. The index reconstitution process objectively captures the changing fortunes of companies and industries in the Japanese equity market," said Kelly Haughton, Strategic Director for Russell Indexes.

To illustrate, the number of the constituents of the Russell/Nomura Large Cap Index, which is a sub-index based on the capitalization size, became 300, which is a decrease by 51 from last year. The Russell/Nomura Large Cap Index is defined to represent the top 85% of the capitalization of the Russell/Nomura Japan Equity Index, and this decrease in number of companies from last year reflects the strong results of the companies with larger capitalization. The membership list shows you that the capitalization ratio of the larger-cap companies in the Japanese equity market is growing. The reason comes from the fact that the large-cap stocks' stock price performance is relatively good and that there are series of mergers and acquisitions of Japanese companies.

Among the 24 "additions" for the Russell/Nomura Total Market Index, in terms of the number of additions, "Services" included six new names. It was followed by "Wholesale Trade" (3), "Machinery" (3), "Electric Appliances" (3) and "Transportation Equipment" (3). In terms of weighting, "Services" increased the most, followed by "Transportation Equipment" and "Oil and Coal Products." The composition of the sectors with the newly added companies once again reflects the actual market.

Russell/Nomura Prime Index added 26 new companies

The Russell/Nomura Prime Index, which is a sub-index of the Russell/Nomura Japan Equity Index, was designed as a benchmark for passive management strategies for institutional investors and represents all Japanese equity markets and measures the performance of Japan's top 1,000 float-adjusted stocks. After this year's reconstitution, its total market capitalization increased from 348 trillion yen to 353 trillion yen. 26 companies came into the Index for the first time (as of October 15, 2007, after float-adjusted).

Among these 26, the "Services" sector has the most, six, followed by "Wholesale Trade" (3), "Machinery" (3), "Electric Appliances" (3) and "Transportation Equipment" (3). In terms of weighting, also the "Services" sector

increased the most, followed by “Transportation Equipment,” “Oil and Coal Products” and “Marine Transportation.”

“Inclusion in the Russell/Nomura Total Market Index means those stocks have enough capitalization size and liquidity to become major investment targets of institutional investors in the Japanese equity market,” said Yoshisuke Kiguchi, Executive Officer, Marketing & Indexes Asia, at Russell. “It can be said that these 26 newly added companies in this index are ready to play a central role in institutional investors’ portfolio going forward.”

About Russell/Nomura Japan Equity Indexes

In 1995, Russell Investments and Nomura Securities Co., Ltd. jointly developed Russell/Nomura Japan Equity Indexes that serve to measure performance based on various investment policies. The indexes are value weighted and include only common stocks domiciled in Japan. All indexes are subsets of the Russell/Nomura Total Market™ Index, which represents approximately 98% of the investable Japan equity market.

The Indexes are reconstituted annually on the first business day of December, in order to accurately reflect changes in the Japanese marketplace. The membership list is determined based on the float-adjusted market capitalization as of October 15.

Securities that leave the Russell/Nomura indexes between reconstitution dates due to mergers, acquisitions, or other similar corporate activity are not replaced. Thus, the number of securities in the indexes over the year fluctuates according to corporate activity. The only additions between reconstitution dates are as a result of spin-offs and initial public offerings falling in the large segment (as determined by the latest reconstitution).

About Russell Investments

Russell Investments provides strategic advice, world-class implementation, state-of-the-art performance benchmarks and a range of institutional-quality investment products. With nearly \$231 billion in assets under management (as of 9/30/07), Russell serves individual, institutional and advisor clients in more than 40 countries. Russell provides access to some of the world’s best money managers. It helps investors put this access to work in corporate defined benefit and defined contribution plans, and in the life savings of individual investors. Founded in 1936, Russell is a subsidiary of Northwestern Mutual Life Insurance Company and headquartered in Tacoma, Wash. Russell has principal offices in Amsterdam, Auckland, Hong Kong, Johannesburg, London, Melbourne, New York, Paris, San Francisco, Singapore, Sydney, Tokyo and Toronto.

About Nomura Group

Nomura is a global financial services group dedicated to providing a broad range of financial services for individual, institutional, corporate and government clients. The Group offers a diverse line of competitive products and value-added financial and advisory solutions through its global headquarters in Tokyo, 160 branches in Japan, and an international network in 30 countries; with regional headquarters in Hong Kong, London, and New York. The Group’s business activities include investment consultation and brokerage services for retail investors in Japan, and, on a global basis, brokerage services, securities underwriting, investment banking advisory services, merchant banking, and asset management. For further information about Nomura please visit our website at www.nomura.com.

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