

Nomura Rebrands NEXT FUNDS Range of ETFs on 25th Anniversary of Japan's First ETF Listing

Tokyo, September 30, 2020—Nomura Asset Management Co., Ltd. (NAM), the core company within the Asset Management Division of Nomura Group, today announced that, as part of the rebranding of its ETF series, it has integrated all the ETFs it manages under the NEXT FUNDS¹ brand and restructured the management fee system².

A pioneer in ETFs in Japan, NAM this year celebrates 25 years since it listed its first "Nikkei 300 Index Exchange Traded Fund (Nikkei 300 ETF)" on May 29, 1995.

Japan's ETFs have seen rapid growth over the past 25 years. As of the end of August 2020, 186 ETFs (Japan domiciled ETFs only) were listed on the Tokyo Stock Exchange, with total net assets reaching over 45 trillion yen.

Since its first listing, NAM has sought to provide investors with new investment opportunities by developing pioneering products such as gold, crude oil and REIT ETFs, high-dividend yield stock and bond ETFs, and leveraged ETFs. NAM has also worked to provide liquidity to the ETF market to increase market participants.

As a result of NAM's consistent efforts and the support of investors, as of August 31, 2020, NAM had the top domestic market share by transaction volume and AUM, and ranked fifth³ in the global ETF ranking.

NAM will continue to promote and develop ETFs to help investors build their assets.



¹ "NEXT FUNDS" is the brand name for the ETF product range of Nomura Asset Management Co., Ltd., representing "Nomura Exchange Traded Funds".

² http://global.nomura-am.co.jp/nextfunds/news/2020/20200914_C7A19753.html

³ Source: Morningstar Direct

NEXT FUNDS market share in Japan (as of August 31, 2020)

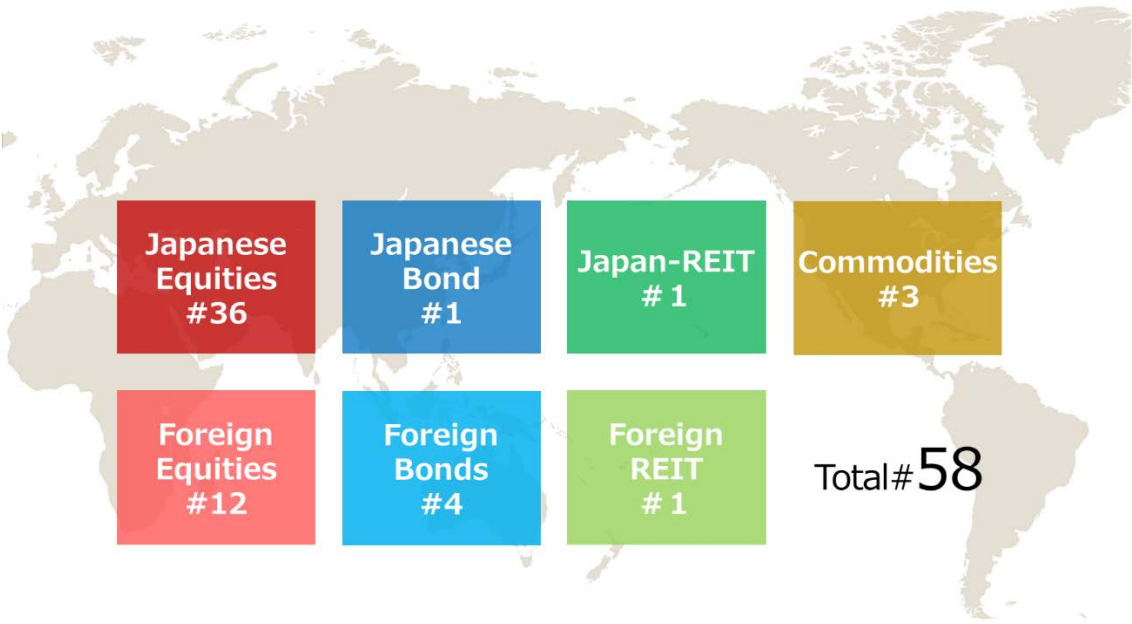


(Source) Compiled by Nomura Asset Management based on data from the Tokyo Stock Exchange and Nomura Research Institute's Fundmark/DI.

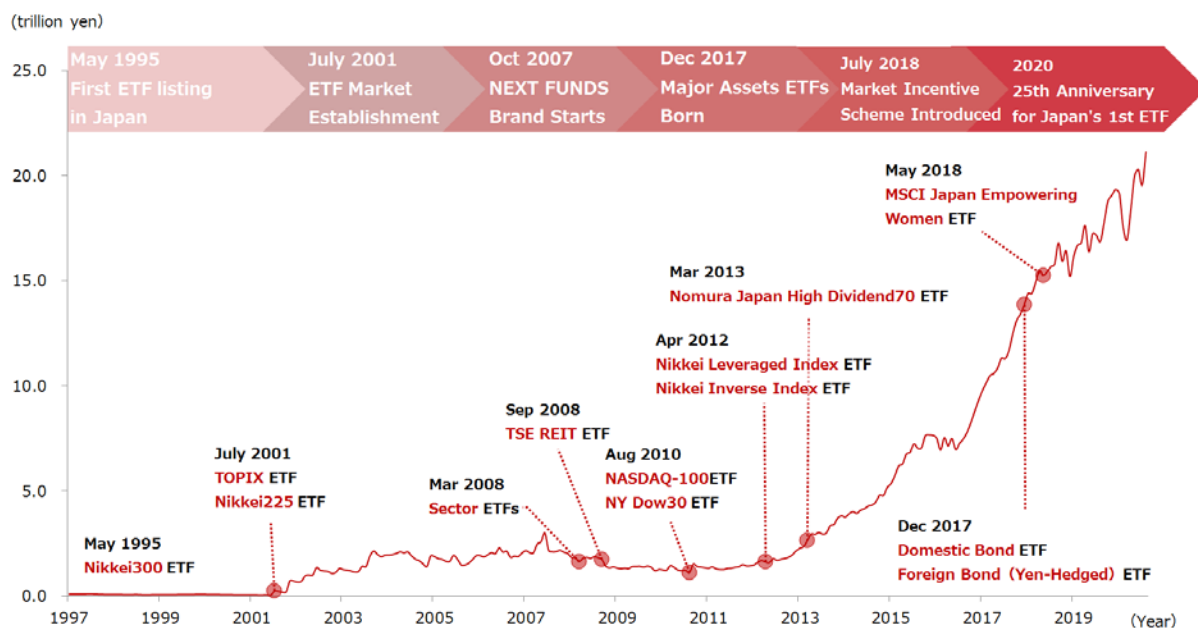
(Note) All data is for Japan domiciled ETFs. Number of ETFs and AUM are as of August 31, 2020. Trading value represents the monthly in-session trading on the Tokyo Stock Exchange for August 2020.

NEXT FUNDS product range (as of August 31, 2020)

With a broad lineup of stocks, bonds, REITs, and commodities, NAM provides various opportunities for investors in Japan to invest in assets all over the world.



NEXT FUNDS performance over past 25 years (January 1997 to August 2020)



ends

Nomura

Nomura is a global financial services group with an integrated network spanning over 30 countries. By connecting markets East & West, Nomura services the needs of individuals, institutions, corporates and governments through its four business divisions: Retail, Asset Management, Wholesale (Global Markets and Investment Banking), and Merchant Banking. Founded in 1925, the firm is built on a tradition of disciplined entrepreneurship, serving clients with creative solutions and considered thought leadership. For further information about Nomura, visit www.nomura.com.

Disclaimer of Nomura Asset Management

The contents of this material are based on an English translation of a Japanese announcement made on Sep 30, 2020 by Nomura Asset Management Co., Ltd. Whilst every effort has been made to translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed, therefore please refer to the original Japanese document.

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Furthermore, none of the shares of the Fund have been or will be registered under the United States Securities Act of 1933, as amended ("1933 Act"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"). The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws.

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Disclosures required in Japan

Registered Company Name: Nomura Asset Management Co., Ltd.

Registration Number: Director of the Kanto Local Financial Bureau (Financial instruments firms) No. 373

Member Associations: The Investment Trusts Association, Japan; Japan Investment Advisers Association; Type II Financial Instruments Firms Association

This document is issued for reference purposes only and does not constitute disclosure material based on the Financial Instruments and Exchange Law. Moreover, this document is not in any way intended to be an investment solicitation. Before investing in the Fund, prospective investors should carefully read the "Securities Registration Statement", "the Prospectus", and the "Document Prior to Conclusion of Contract" under your own responsibilities and based on your own judgment.

Nomura Asset Management Co., Ltd. does not directly handle order requests for the Fund from investors. To invest in the Fund, it is necessary to open an account with a nearby Type-1 financial instruments business provider (securities firm) that handles ETFs and make a request to the broker.

Since the Fund invests primarily in securities and future contracts, there is a risk that the market price of such securities or the NAV per unit of the Fund could decline and cause an investment loss due to a decline in the stock price index, a price decline in securities comprising the index, the bankruptcy of a stock issuer, or deterioration in the financial conditions of an issuer, in addition to other market factors.

AN INVESTOR'S PRINCIPAL IS THEREFORE NOT GUARANTEED.

AN INVESTOR SHALL BEAR THE FOLLOWING COSTS WHEN INVESTING IN THE FUND.

Trading Fee

Trading of the Fund incurs brokerage commission fees set by a Type-1 financial instruments business provider (securities firm) that handles the transaction. These commissions are separate from the actual transaction value. (Because the commissions charged by each securities firm differ, it is not possible to specify a maximum amount.)

Management Fees

The amount of management fees will be an amount calculated according to (I) below plus that calculated according to (II) below daily during the Fund calculation period.

(I) The management fee will be a percentage of the Fund's total net assets no larger than 1.045% (0.95% exclusive of taxes) annually (the percentage will be at 1.045% [0.95% exclusive of taxes] as of Sep 30, 2020).

(II) Not more than 55% (50% exclusive of taxes) of loan fees when securities are lent.

An investor shall bear the management fees above according to the holding period. These amounts will be paid out of trust assets and they are the costs indirectly paid by an investor during an investor's holding period.

Other Expenses

The taxes involved in the Fund, various handling costs for the trust business, the interests for the fund paid by the trustee, brokerage commission fees for transactions in the securities comprising the Fund, various expenses such as audit fees, listing fees for the Beneficiary Interests, and fees for use of benchmark index trademarks, and the sales taxes for each fee. These expenses are paid out each time during an investor's holding period. These amounts will be paid out of trust assets and they are the costs indirectly paid by an investor during an investor's holding period.