

February 21, 2011

Press Release

Nikko Asset Management Co., Ltd.

Nikko AM to List New ETF: Listed Index Fund Nikkei China Related 50

– 100th ETF Listed on the TSE –

Nikko Asset Management Co., Ltd. (Nikko AM) (Timothy F. McCarthy, Chairman & CEO) announced the launch of a new exchange traded fund (ETF), the “Listed Index Fund Nikkei China Related 50” (nickname: Listed China Related 50), that seeks to achieve correlation with an index of 50 major Japanese stocks strongly related to China. Management of the fund will begin on March 9 and the fund will be listed on the Tokyo Stock Exchange the following day, March 10.

Listed Index Fund Nikkei China Related 50 is formulated to track the performance of the Nikkei China Related Stock 50, an index comprising 50 China-related stocks selected from representative listed Japanese companies actively engaged in business development in China.

Nikkei Inc. commenced calculation and publication of the Nikkei China Related Stock 50 index on December 13, 2010. The 50 constituent stocks are evaluated and selected based on a company’s degree of involvement in China as determined by the frequency the company appears in China-related Nikkei articles and company annual financial reports.

China’s nominal gross domestic product (GDP) surpassed Japan’s nominal GDP in 2010, effectively making China the second largest economy in the world. A large contingent of Japanese companies is increasing operations in China to harness the country’s rapid economic expansion and provide a powerful driving force for their business growth.

Nikko Asset Management created and listed the “Listed Index Fund Nikkei China Related 50” to provide investors the opportunity to benefit from China’s stellar economic growth through investment in Japanese stocks with strong ties to China.

**TSE Commemorates 100th ETF Listing**

The Tokyo Stock Exchange today announced that the “Listed Index Fund Nikkei China Related 50” became the 100th exchange traded fund approved for listing on the TSE. The “Listed Index Fund Nikkei China Related 50” raises to 20 the number of ETFs that Nikko Asset Management lists on the TSE. Nikko Asset Management introduced its first ETF to the exchange in July 2001 at the inauguration of ETF trading on the TSE.

Nikko Asset Management seeks to provide investors with a wide variety of convenient options for investment in ETFs and actively develops products in all categories from a full range of Japanese equity ETFs to newly designed ETFs incorporating foreign bonds, equities of advanced and emerging countries, and domestic and foreign REITs. Nikko Asset Management will continue to develop and manage a diverse offering of high-quality ETFs designed to fully meet evolving investor needs and provide a wide range of investment opportunity.

Note: This material is an English translation of a Japanese announcement made on February 21, 2011. Although Nikko AM intended to faithfully translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed and thus you are encouraged to refer to the original Japanese document.

Please note that you cannot purchase any products mentioned in this press release if you are not a Japanese resident or if you hold nationality of a country where there are legal restrictions on their ownership. The information referred to in this press release is for Japanese residents only. The information provided is designed for use by Japanese residents only and should not be relied on by residents of any other jurisdiction.

«Nikko AM's ETF lineup»

Security code	Category	Fund name	Index
1330	Japan Equity	Listed Index Fund 225	Nikkei Average
1308	Japan Equity	Listed Index Fund TOPIX	TOPIX
1314	Japan Equity	Listed Index Fund S&P Japan Emerging Equity 100	S&P Japan Emerging Equity 100 Index
1316	Japan Equity	Listed Index Fund TOPIX100 Japan Large Cap Equity	TOPIX100
1317	Japan Equity	Listed Index Fund TOPIX Mid400 Japan Mid Cap Equity	TOPIX Mid400
1318	Japan Equity	Listed Index Fund TOPIX Small Japan Small Cap Equity	TOPIX Small
1322	Foreign Equity	Listed Index Fund China A Share (Panda) CSI300	CSI300 Index
1345	REIT	Listed Index Fund J-REIT (Tokyo Stock Exchange REIT Index) Bi-Monthly Dividend Payment Type	Tokyo Stock Exchange REIT Index
1347	Japan Equity	Listed Index Fund FTSE Japan Green Chip 35	FTSE Japan Green Chip 35 Index
1677	Foreign Fixed Income	Listed Index Fund International Bond (Citigroup WGBI) Monthly Dividend Payment Type	Citigroup World Government Bond Index (ex Japan, no hedge, in yen)
1680	Foreign Equity	Listed Index Fund International Developed Countries Equity (MSCI-KOKUSAI)	MSCI KOKUSAI Index
1681	Foreign Equity	Listed Index Fund International Emerging Countries Equity (MSCI EMERGING)	MSCI Emerging Markets Index
1698	Japan Equity	Listed Index Fund Japan High Dividend (TSE Dividend Focus 100)	TSE Dividend Focus 100
1544	Japan Equity	Listed Index Fund Japan Equity (MSCI JAPAN)	MSCI JAPAN Index
1547	Foreign Equity	Listed Index Fund US Equity (S&P500)	S&P 500 Index
1548	Foreign Equity	Listed Index Fund China H-share (Hang Seng China Enterprises)	Han Seng China Enterprises Index
1549	Foreign Equity	Listed Index Fund S&P CNX Nifty Futures (India Equity)	S&P CNX Nifty Index Futures
1554	Foreign Equity	Listed Index Fund World Equity (MSCI ACWI) ex Japan	MSCI ACWI (All Country World Index) Index ex Japan
1555	REIT	Listed Index Fund Australian REIT (S&P/ASX200 A-REIT)	S&P/ASX 200 A-REIT Index
1556	Japan Equity	Listed Index Fund Nikkei China Related 50	Nikkei China Related Stock 50

<Listed Index Fund Nikkei China Related 50>

■ Fund Outline for Exchange Trading

Product Type	Open-end investment trust / Domestic / Equity / ETF / Index-type
Listed Exchange	Tokyo Stock Exchange
Date Listed	March 10, 2011 (scheduled)
Security code	1556
Trading Unit at the Exchange	10 units
Trust Period	Unlimited (Launch date: March 9, 2011)
Closing Date	July 8 of each year
Dividends	In principle, all revenue from dividends, etc., arising from the trust assets will be paid as dividends for every calculation period, after deducting expenses, etc.

■ Outline of Fees, etc.

Investors must bear the following expenses:

<Fees charged at the time of trading at the Exchange>

- Trading Commission: As stipulated by the brokers. Please contact your broker for details.

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

- Trust Fees: The trust fee is calculated by multiplying the total net asset value by up to 0.42% per annum (0.4% before tax).
If securities held in the trust assets are placed on stock lending, an additional fee shall be calculated by multiplying securities lending fees by up to 0.525 (0.5 before tax).
- Other Expenses: Brokerage commission with respect to securities held in the portfolio, expenses for creating and delivering prospectuses, expenses for creating financial summary, accounting fees (including outsourcing fees), audit fees, interest on borrowing and advances, costs of listing beneficiary interests, license fees, costs required for obtaining information on management, etc.
* The rate or maximum amounts applicable to other fees and expenses cannot be disclosed in advance because the actual amount will vary depending on the state of the assets managed.
- * The total amount of fees charged to the Fund will vary depending on the length of investment period and other factors. Therefore, we cannot give a specific total.
- * For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of subscription).

■ Fund Outline

[This is applicable to direct subscriptions and redemptions of the Fund, and not applicable to those investors who trade on the Exchange.]

Business Hours for Subscription and Redemption	In principle, it shall be no later than 3:00 p.m. on any business day of the distributor, and shall be accepted on the same day provided that the distributor's stipulated administrative procedures have been completed. * The closing time for acceptance of applications may be different at certain distributors. Contact your distributor for details.
Application Method	Those who wish to subscribe this Fund should apply for subscription with stocks they possess using the method stipulated by their distributor.
Subscription Price	NAV as of the application date.
Subscription Unit	The number (fractions of less than 100 shall be rounded off upward) obtained by dividing the market value of unit securities by the NAV as of the day when an application for subscription is accepted shall be the minimum subscription unit, and the actual purchase unit is calculated by multiplying the minimum subscription unit by an integer.
Redemption before Maturity	No requests for cancellation before maturity shall be accepted. The Management Company will specify a number of units to be exchanged with shares held by the Fund.
Time for Redemption	In principle, applications for exchange or repurchase shall be no later than 3:00 p.m. on any business day of the distributor, and shall be accepted on the same day provided that the distributor's stipulated administrative procedures have been completed.

<Fees charged at the time of subscription and redemption>

- Subscription Fees: The distributors may charge subscribers a fee determined by each distributor. Please contact your distributor for details. Consumption tax is levied on the subscription fee.
- Redemption Fees: When a beneficiary requests exchange or repurchase of beneficiary interests, the distributor may charge the beneficiary fees set by the distributor and consumption taxes related to the fees.
* Please contact your distributor for details.
- Amount Retained in Trust Assets: Not applicable

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

- Trust Fees: The trust fee is calculated by multiplying the total net asset value by up to 0.42% per annum (0.4% before tax).
If securities held in the trust assets are placed on stock lending, an additional fee shall be calculated by multiplying securities lending fees by up to 0.525 (0.5 before tax).
 - Other Expenses: Brokerage commission with respect to securities held in the portfolio, expenses for creating and delivering prospectuses, expenses for creating financial summary, accounting fees (including outsourcing fees), audit fees, interest on borrowing and advances, costs of listing beneficiary interests, license fees, costs required for obtaining information on management, etc.
* The rate or maximum amounts applicable to other fees and expenses cannot be disclosed in advance because the actual amount will vary depending on the state of the assets managed.
- * The total amount of fees charged to the Fund will vary depending on the length of investment period and other factors. Therefore, we cannot give a specific total.
- * For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of subscription).

■ Risk Information

This Fund will invest mainly in equities. As a result, its NAV may drop due to falls in the prices of equities or deterioration in the financial conditions and performance of the organizations that issue equities, thereby causing losses to investors.

Accordingly, the investment principal is not guaranteed and may incur losses and fall below the initial amount due to a fall in the NAV. Any profit or loss derived from management of investment trusts belongs to all the beneficiaries.

The principal risks are as follows:

[Price Fluctuation Risk] [Liquidity Risk] [Credit Risk] [Risk involved in securities lending, etc.] [Risk of Price Deviations between Nikkei China Related Stock 50 and NAV]

■ Other Matters to Consider

- These distribution materials were prepared for the purpose of providing information on “Listed China Related 50” by Nikko AM and promoting investors’ understanding of this Fund.
- Unlike bank deposits or insurance policies, investment trusts are not protected by the Deposit Insurance Corporation or the Insurance Policyholders Protection Corporations.
- In accordance with the provisions of Article 5 of the Financial Instruments and Exchange Law (Act No. 25 of 1948), Nikko AM filed a security registration statement with the Head of the Kanto Local Finance Bureau on February 21, 2011 and it will become effective as of March 9, 2011. The content of the statement may be subject to change before becoming effective.
- Any profit or loss derived from management of investment trusts belongs to all the beneficiaries. Please read the related contract prior to investing in the Funds.

■ Management Company and Other Related Companies

Management Company: Nikko Asset Management Co., Ltd.

Trustee: The Sumitomo Trust and Banking Co., Ltd.
(Sub-Trustee: Japan Trustee Services Bank, Ltd.)

Distributor: Please contact below to inquire about distributors.

Nikko Asset Management Co., Ltd.

Website: <http://www.nikkoam.com/>

Call Center: 0120-25-1404

<About Other Funds>

■ Comprehensive Risk Information on Mutual Funds

- Investment trusts invest in assets whose prices fluctuate (foreign currency-denominated assets contain exchange rate risk as well), so the NAV will fluctuate accordingly. It is possible that the NAV will fall below the principal amount of your investment.
- Different investment trusts invest in different asset classes, markets, and countries, and contain different investment restrictions, so the details of their risks differ accordingly.

■ Overview of fees, etc.

Investors must bear the following expenses:

<Fees charged at the time of subscription and redemption>

- Subscription Fees: The distributors may charge subscribers a fee determined by each distributor. Please contact your distributor for details.
Consumption tax is levied on the subscription fee.
- Redemption Fees: The distributors may charge beneficiaries a fee determined by each distributor, together with consumption tax thereon, upon redemption or repurchase of beneficiary interests.
* Please contact the distributor for details.
- Amount Retained in Trust Assets: Up to 0.3%

<Fees charged at the time of trading at the Exchange>

- Trading Commission: As independently stipulated by the broker. Please contact your broker for details.

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

- Trust Fees Up to 0.9975% (0.95% before tax)
When lending securities, an additional amount calculated by multiplying securities lending fees by a rate of 0.525 (0.5 before tax) or less.
- Other Expenses Brokerage commission with respect to securities held in the portfolio, audit fees, interest on advances, costs of listing beneficiary interests, license fees, etc.

- * The rate or maximum amounts applicable to other fees and expenses cannot be disclosed in advance because the actual amount will vary depending on the state of the assets managed.
- * The total amount of fees above will vary depending on the length of investment period and other factors. Therefore, we cannot give a specific total.
- * For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of purchase).

<Disclaimer>

- Fees, etc. listed are the highest rates among those charged to the ETFs managed by Nikko Asset Management (as of February 14, 2011).
- The risk information and fees, etc. disclosed above are those typical for a general investment trust. Actual fees will vary for each specific investment trust. For more details, please refer to the investment trust explanatory document (prospectus distributed in advance of subscription).

■ Other matters to consider

- These marketing materials were prepared for the purpose of providing information on the ETFs managed by Nikko Asset Management and promoting investors' understanding of this Fund.
- Unlike bank deposits or insurance policies, investment trusts are not protected by the Deposit Insurance Corporation or the Insurance Policyholders Protection Corporation.
- Any profit or loss derived from management of investment trusts belongs to all the beneficiaries. Please read the related contract prior to investing in the Funds.

■ Copyrights in Indices

Nikkei China Related Stock 50

Nikkei China Related Stock 50 is an intellectual property that belongs to Nikkei. All of the rights to the indices such as right to calculate, publicize, disseminate, and use these indices are reserved by Nikkei. Licensing agreement with Nikkei is necessary if companies intend to create Index - linked funds and passive funds, etc. It is also required to use this index for disseminating, providing, and showing, etc. to the third party in the way as Nikkei decides. Also in case of using the index for creation of Exchange Traded Fund listed on Japanese markets, a license to use the index shall not be granted for a certain period of time after the index is launched because a company that provides advices in developing the index makes an offer to use the index in advance for the purpose.

About Nikko Asset Management

Registration Number: Director of the Kanto Local Finance Bureau (Financial instruments firms) No. 368
Member Associations: The Investment Trusts Association
Japan Securities Investment Advisers Association

Nikko Asset Management (Nikko AM) is a leading Japan-based asset management group. Since its establishment 50 years ago, Nikko AM has been offering a full lineup of investment trusts to retail investors and high value-added advisory services to institutional investors.

Its investment trusts are distributed through a network of around 200 distributor institutions including banks, securities companies, and Japan Post Bank. The firm offers investors access to both Nikko AM funds that invest mainly in Japanese equities, fixed income, and REITs and, through its independently developed “World Series Fund Platform”, opportunities to strategically utilize a global range of top-performing, independent asset managers over a diverse range of asset classes.

In 1999, Nikko AM was the first Japanese firm to arrange a Socially Responsible Investment (SRI) fund, and in 2001 broke new ground for a Japanese asset management firm by acquiring ISO 14001 certification (world-class environmental management standard). In these and other ways, Nikko AM actively involves itself in socially responsible activities.

Nikko AM has moved to enhance its expertise in the asset management business by clarifying the responsibilities of fund managers, reinforcing collaboration between research and management sections, and refining risk management capability. In recognition of these accomplishments, Nikko AM has been awarded several prestigious fund awards, such as the Lipper Japan Award, Asian Investor’s Award, and R&I Fund Award.

The Nikko AM Group¹ has assets totaling 10.3 trillion yen under management as of December 31, 2010², and has overseas offices in London, New York, and Singapore.

Note 1: “Nikko AM Group” stands for Nikko Asset Management Co., Ltd. and its group companies.

Note 2: Consolidated assets (including advised assets) of Nikko Asset Management Co., Ltd. and its overseas subsidiaries.