

Russell/Nomura Japan Equity Indexes

EQUITY QUANTITATIVE RESEARCH (INDEX)

Performance summary February 2016

Global Markets Research

2 March 2016



Research analysts

Japan index products

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Fig. 1: Russell/Nomura Japan Equity Indexes performance summary

Total returns (including dividends, as of end-Feb 2016)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,399	100.00	459.62	-9.21	-17.54	-14.54	-12.80	-15.92
Value	1,000	45.66	958.76	-11.60	-21.16	-18.98	-16.40	-19.28
Growth	759	54.34	196.21	-7.09	-14.23	-10.37	-9.55	-12.88
Large	350	85.83	436.41	-9.38	-17.86	-15.14	-13.81	-16.20
Large Value	219	37.05	878.52	-12.04	-21.94	-20.37	-17.82	-20.02
Large Growth	240	48.78	203.16	-7.25	-14.46	-10.60	-10.51	-13.04
Top	60	47.95	344.11	-9.47	-18.63	-16.38	-16.03	-17.01
Top Value	34	20.74	759.59	-12.44	-22.75	-21.99	-19.89	-21.19
Top Growth	40	27.21	168.37	-7.08	-15.18	-11.47	-12.83	-13.51
Mid	290	37.88	632.38	-9.26	-16.86	-13.52	-10.82	-15.15
Mid Value	185	16.31	974.07	-11.52	-20.89	-18.26	-15.10	-18.49
Mid Growth	200	21.57	304.85	-7.47	-13.54	-9.48	-7.30	-12.44
Mid-Small	1,339	52.05	628.66	-8.96	-16.50	-12.78	-9.62	-14.90
Mid-Small Value	966	24.92	1,060.91	-10.90	-19.79	-16.33	-13.31	-17.62
Mid-Small Growth	719	27.13	270.41	-7.10	-13.25	-9.23	-5.93	-12.23
Small	1,049	14.17	612.51	-8.14	-15.53	-10.75	-6.26	-14.22
Small Value	781	8.61	1,149.18	-9.69	-17.62	-12.33	-9.62	-15.94
Small Growth	519	5.56	219.69	-5.64	-12.09	-8.21	-0.50	-11.41
Small Core	350	9.22	201.70	-8.19	-15.30	-10.27	-5.73	-14.09
Small Core Value	256	5.43	283.67	-10.08	-17.55	-12.03	-9.77	-16.03
Small Core Growth	202	3.79	81.87	-5.33	-11.85	-7.64	0.75	-11.15
Micro	699	4.94	227.79	-8.06	-15.97	-11.59	-7.20	-14.46
Micro Value	525	3.18	303.84	-9.01	-17.74	-12.80	-9.39	-15.79
Micro Growth	317	1.76	83.62	-6.29	-12.59	-9.35	-2.95	-11.96
Prime	1,000	98.00	1,288.39	-9.25	-17.60	-14.63	-12.95	-15.97
Prime Value	712	44.45	1,570.61	-11.68	-21.26	-19.16	-16.58	-19.38
Prime Growth	568	53.54	983.45	-7.13	-14.28	-10.41	-9.70	-12.92

Note: * Returns are not annualized.

Source: Nomura

Japanese version published on
March 1, 2016

What are the Russell/Nomura Japan Equity Indexes?

The Russell/Nomura Japan Equity Indexes are Japanese equity indexes developed jointly by US-based Frank Russell Company and Global Research Division, Financial Engineering & Technology Research Center, Nomura Securities Co., Ltd.

Russell/Nomura Japan Equity Indexes have the following characteristics:

- They represent the entire Japanese equity market, in that component stocks are selected from among all listed stocks.
- They reflect the stocks that are actually available for investment, as stable shareholdings are excluded from market capitalization figures.
- There are sub-indexes for different sizes of company based on market capitalization.
- There are sub-indexes for growth and value stocks. Sub-indexes for growth and value stocks are based on P/B ratios adjusted for unrealized gains/losses on marketable securities and unrecognized retirement benefit obligations.
- The Prime Index consists of the top 1,000 stocks in the Total Market Index by market cap excluding stable shareholdings.
- Clear definitions mean that there is no arbitrariness in stock-selection methods.
- The composition of each index is reviewed once a year.

The intellectual property right, and any other rights, in Russell/Nomura Japan Equity Index belong to Nomura Securities Co., Ltd. ("Nomura") and Frank Russell Company ("Russell"). Nomura and Russell do not guarantee accuracy, completeness, reliability, usefulness, marketability, merchantability or fitness of the Index, and do not account for business activities or services that any index user and/or its affiliates undertakes with the use of the Index.

Fig. 2: Russell/Nomura Japan Equity Indexes performance summary

Price returns (excluding dividends, as of end-Feb 2016)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,399	100.00	291.78	-9.24	-17.67	-15.34	-14.46	-15.96
Value	1,000	45.66	581.09	-11.62	-21.24	-19.84	-18.23	-19.31
Growth	759	54.34	130.48	-7.14	-14.42	-11.10	-11.01	-12.93
Large	350	85.83	276.35	-9.41	-17.99	-15.96	-15.47	-16.23
Large Value	219	37.05	531.20	-12.05	-22.01	-21.25	-19.67	-20.04
Large Growth	240	48.78	134.29	-7.30	-14.65	-11.35	-11.98	-13.09
Top	60	47.95	212.77	-9.50	-18.77	-17.30	-17.84	-17.03
Top Value	34	20.74	451.36	-12.44	-22.82	-22.98	-21.92	-21.19
Top Growth	40	27.21	107.60	-7.13	-15.40	-12.31	-14.43	-13.56
Mid	290	37.88	412.56	-9.29	-16.98	-14.20	-12.28	-15.19
Mid Value	185	16.31	603.53	-11.55	-20.97	-18.99	-16.69	-18.52
Mid Growth	200	21.57	210.96	-7.51	-13.70	-10.11	-8.59	-12.49
Mid-Small	1,339	52.05	407.82	-9.00	-16.63	-13.46	-11.11	-14.94
Mid-Small Value	966	24.92	654.50	-10.93	-19.88	-17.06	-14.94	-17.67
Mid-Small Growth	719	27.13	187.19	-7.15	-13.41	-9.84	-7.24	-12.28
Small	1,049	14.17	391.25	-8.20	-15.68	-11.43	-7.87	-14.28
Small Value	781	8.61	702.50	-9.74	-17.75	-13.07	-11.34	-15.99
Small Growth	519	5.56	152.10	-5.71	-12.26	-8.79	-1.89	-11.48
Small Core	350	9.22	158.67	-8.24	-15.43	-10.96	-7.30	-14.14
Small Core Value	256	5.43	219.04	-10.13	-17.67	-12.76	-11.41	-16.08
Small Core Growth	202	3.79	67.06	-5.39	-12.01	-8.25	-0.69	-11.20
Micro	699	4.94	176.23	-8.13	-16.13	-12.28	-8.87	-14.54
Micro Value	525	3.18	229.75	-9.07	-17.88	-13.55	-11.23	-15.85
Micro Growth	317	1.76	69.25	-6.39	-12.78	-9.90	-4.27	-12.07
Prime	1,000	98.00	979.50	-9.29	-17.73	-15.44	-14.60	-16.01
Prime Value	712	44.45	1,162.84	-11.70	-21.35	-20.02	-18.40	-19.40
Prime Growth	568	53.54	766.86	-7.18	-14.47	-11.15	-11.16	-12.96

Note: * Returns are not annualized.

Source: Nomura

Fig. 3: Russell/Nomura Japan Equity Indexes performance summary

Total returns (including dividends, as of end-Feb 2016)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,399	100.00	459.62	-9.21	-17.54	-14.54	-12.80	-15.92
Value	1,000	45.66	958.76	-11.60	-21.16	-18.98	-16.40	-19.28
Growth	759	54.34	196.21	-7.09	-14.23	-10.37	-9.55	-12.88
Large	350	85.83	436.41	-9.38	-17.86	-15.14	-13.81	-16.20
Large Value	219	37.05	878.52	-12.04	-21.94	-20.37	-17.82	-20.02
Large Growth	240	48.78	203.16	-7.25	-14.46	-10.60	-10.51	-13.04
Top	60	47.95	344.11	-9.47	-18.63	-16.38	-16.03	-17.01
Top Value	34	20.74	759.59	-12.44	-22.75	-21.99	-19.89	-21.19
Top Growth	40	27.21	168.37	-7.08	-15.18	-11.47	-12.83	-13.51
Mid	290	37.88	632.38	-9.26	-16.86	-13.52	-10.82	-15.15
Mid Value	185	16.31	974.07	-11.52	-20.89	-18.26	-15.10	-18.49
Mid Growth	200	21.57	304.85	-7.47	-13.54	-9.48	-7.30	-12.44
Mid-Small	1,339	52.05	628.66	-8.96	-16.50	-12.78	-9.62	-14.90
Mid-Small Value	966	24.92	1,060.91	-10.90	-19.79	-16.33	-13.31	-17.62
Mid-Small Growth	719	27.13	270.41	-7.10	-13.25	-9.23	-5.93	-12.23
Small	1,049	14.17	612.51	-8.14	-15.53	-10.75	-6.26	-14.22
Small Value	781	8.61	1,149.18	-9.69	-17.62	-12.33	-9.62	-15.94
Small Growth	519	5.56	219.69	-5.64	-12.09	-8.21	-0.50	-11.41
Small Core	350	9.22	201.70	-8.19	-15.30	-10.27	-5.73	-14.09
Small Core Value	256	5.43	283.67	-10.08	-17.55	-12.03	-9.77	-16.03
Small Core Growth	202	3.79	81.87	-5.33	-11.85	-7.64	0.75	-11.15
Micro	699	4.94	227.79	-8.06	-15.97	-11.59	-7.20	-14.46
Micro Value	525	3.18	303.84	-9.01	-17.74	-12.80	-9.39	-15.79
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Prime	1,000	98.00	1,288.39	-9.25	-17.60	-14.63	-12.95	-15.97
Prime Value	712	44.45	1,570.61	-11.68	-21.26	-19.16	-16.58	-19.38
Prime Growth	568	53.54	983.45	-7.13	-14.28	-10.41	-9.70	-12.92

Note: * Returns are not annualized.

Source: Nomura

Fig. 4: Russell/Nomura index data by industrial sector

Number of stocks and weighting (as of end-Feb 2016)

Index	Total Market		Value		Growth		Small		Prime	
	No. of stocks	Weight (%)	No. of stocks	Weight (%)	No. of stocks	Weight (%)	No. of stocks	Weight (%)	No. of stocks	Weight (%)
Overall	1,399	100.00	1,000	100.00	759	100.00	1,049	100.00	1,000	100.00
Fishery, agriculture & forestry	5	0.10	5	0.19	4	0.03	5	0.74	5	0.11
Mining	6	0.28	6	0.62	0	0.00	5	0.29	3	0.28
Construction	74	3.01	63	2.60	39	3.35	64	6.49	53	2.97
Foods	60	4.97	42	1.49	42	7.90	44	5.57	43	4.98
Textiles & apparel	22	0.73	20	0.77	6	0.69	20	1.78	16	0.72
Pulp & paper	9	0.24	9	0.53	1	0.00	7	0.69	6	0.23
Chemicals	103	6.13	81	6.43	49	5.89	72	6.60	73	6.10
Pharmaceuticals	42	6.11	21	2.59	35	9.06	25	3.19	33	6.19
Oil & coal products	8	0.49	7	0.85	2	0.18	5	0.46	5	0.49
Rubber products	10	0.98	9	0.76	3	1.16	6	0.45	9	0.99
Glass & ceramics products	22	0.86	19	0.89	5	0.84	16	1.18	16	0.85
Iron & steel	22	0.99	22	2.13	3	0.04	18	1.82	17	0.99
Nonferrous metals	18	0.86	16	1.73	5	0.14	14	1.65	15	0.87
Metal products	21	0.63	20	0.78	8	0.51	16	1.23	16	0.62
Machinery	99	4.60	87	4.76	46	4.46	78	6.87	67	4.54
Electric appliances	129	12.01	102	9.61	75	14.03	93	8.57	94	12.08
Transportation equipment	54	9.61	48	12.87	20	6.88	37	3.86	49	9.78
Precision instruments	22	1.76	9	0.63	18	2.71	15	1.59	16	1.77
Other products	37	1.57	28	1.16	19	1.92	30	2.32	20	1.52
Electric power & gas	17	2.26	17	4.21	9	0.61	4	0.35	16	2.30
Land transportation	37	4.77	22	1.20	27	7.77	19	2.11	28	4.82
Marine transportation	5	0.21	5	0.45	0	0.00	2	0.09	4	0.21
Air transportation	2	0.73	1	0.30	2	1.10	0	0.00	2	0.75
Warehousing & harbor transportation services	10	0.19	9	0.39	2	0.03	8	0.51	6	0.18
Information & communications	89	8.69	36	6.05	73	10.90	71	6.52	55	8.69
Wholesale trade	91	4.03	80	7.81	31	0.86	79	6.59	53	3.93
Retail trade	128	4.97	54	2.59	100	6.98	106	10.67	88	4.84
Banks	83	6.94	81	14.61	3	0.50	59	5.58	73	7.04
Securities & commodity futures	19	1.15	15	2.31	9	0.18	16	1.63	14	1.15
Insurance	7	2.35	6	4.95	2	0.16	1	0.08	7	2.40
Other financing business	19	1.44	12	2.06	9	0.92	12	1.70	17	1.46
Real estate	38	2.66	23	1.15	29	3.93	27	2.15	25	2.66
Services	91	3.65	25	0.53	83	6.27	75	6.66	56	3.52

Source: Nomura

Fig. 5: Russell/Nomura index performance by industrial sector

Monthly returns (as of end-Feb 2016)

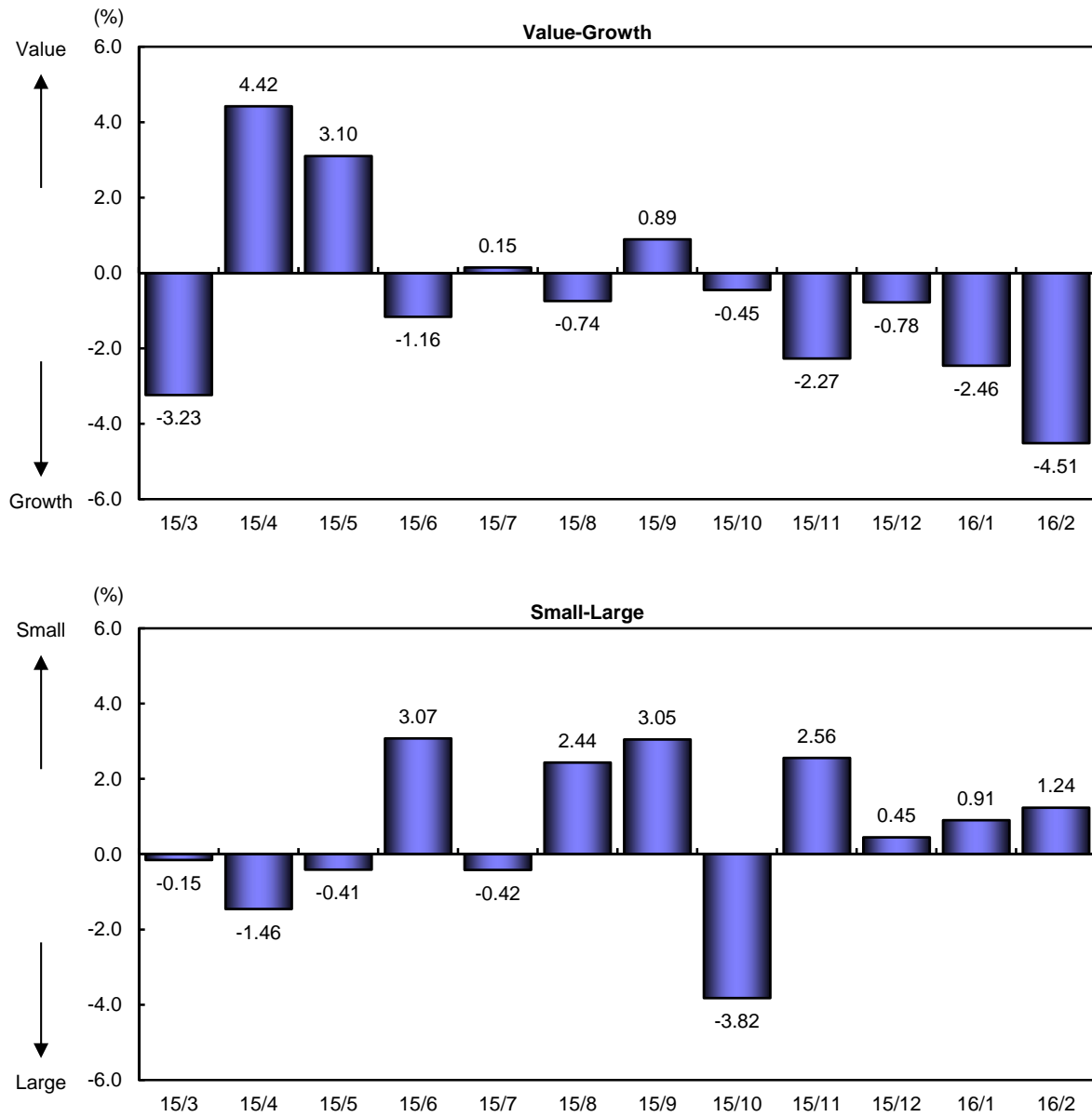
Index	Total Market		Value		Growth		Small		Prime	
	excl dividends	incl dividends	excl dividends	incl dividends	excl dividends	incl dividends	excl dividends	incl dividends	excl dividends	incl dividends
Overall	-9.24	-9.21	-11.62	-11.60	-7.14	-7.09	-8.20	-8.14	-9.29	-9.25
Fishery, agriculture & forestry	-9.27	-9.27	-8.96	-8.96	-10.68	-10.68	-9.27	-9.27	-9.27	-9.27
Mining	-21.84	-21.84	-21.84	-21.84	-	-	-17.72	-17.72	-22.14	-22.14
Construction	-6.10	-6.10	-5.31	-5.31	-6.60	-6.60	-7.11	-7.11	-6.02	-6.02
Foods	-6.35	-6.34	-4.83	-4.81	-6.59	-6.58	-4.50	-4.46	-6.44	-6.43
Textiles & apparel	-10.42	-10.29	-9.25	-8.95	-11.51	-11.51	-6.44	-6.01	-10.60	-10.46
Pulp & paper	-6.57	-6.57	-6.63	-6.63	10.60	10.60	-4.33	-4.33	-7.10	-7.10
Chemicals	-10.31	-10.30	-13.55	-13.55	-7.11	-7.09	-9.39	-9.39	-10.29	-10.29
Pharmaceuticals	-3.14	-3.13	-2.45	-2.45	-3.30	-3.29	-0.95	-0.95	-3.16	-3.14
Oil & coal products	-5.94	-5.94	-4.46	-4.46	-11.25	-11.25	-5.84	-5.84	-5.88	-5.88
Rubber products	-8.72	-8.53	-4.48	-4.30	-10.90	-10.70	-6.80	-6.80	-8.76	-8.56
Glass & ceramics products	-20.13	-20.13	-18.93	-18.93	-21.16	-21.16	-13.26	-13.26	-20.35	-20.35
Iron & steel	-11.45	-11.45	-11.48	-11.48	-10.26	-10.26	-8.79	-8.79	-11.19	-11.19
Nonferrous metals	-10.70	-10.70	-10.12	-10.12	-16.50	-16.50	-8.86	-8.86	-10.67	-10.67
Metal products	-10.50	-10.50	-10.31	-10.31	-10.75	-10.75	-12.10	-12.10	-10.50	-10.50
Machinery	-7.58	-7.57	-8.14	-8.14	-7.06	-7.05	-6.81	-6.79	-7.63	-7.63
Electric appliances	-5.50	-5.50	-7.71	-7.71	-4.18	-4.18	-5.13	-5.10	-5.49	-5.49
Transportation equipment	-17.27	-17.27	-16.28	-16.28	-18.78	-18.78	-16.37	-16.37	-17.27	-17.27
Precision instruments	-7.89	-7.89	-6.65	-6.65	-8.13	-8.12	-12.84	-12.80	-7.97	-7.97
Other products	-5.99	-5.98	-7.66	-7.63	-5.12	-5.12	-6.11	-6.06	-6.27	-6.26
Electric power & gas	-5.52	-5.52	-5.28	-5.28	-6.89	-6.89	-5.93	-5.93	-5.54	-5.54
Land transportation	-6.15	-6.15	-6.49	-6.49	-6.11	-6.11	-5.86	-5.86	-6.17	-6.17
Marine transportation	-14.84	-14.84	-14.84	-14.84	-	-	-9.60	-9.60	-14.76	-14.76
Air transportation	-9.45	-9.45	-9.03	-9.03	-9.54	-9.54	-	-	-9.45	-9.45
Warehousing & harbor transportation services	-9.47	-9.47	-9.03	-9.03	-14.88	-14.88	-15.12	-15.12	-9.27	-9.27
Information & communications	-2.44	-2.43	-4.12	-4.12	-1.63	-1.62	-5.65	-5.62	-2.32	-2.31
Wholesale trade	-6.44	-6.42	-6.68	-6.67	-4.51	-4.47	-8.48	-8.43	-6.29	-6.28
Retail trade	-10.31	-9.82	-9.78	-9.34	-10.47	-9.97	-6.47	-6.18	-10.58	-10.08
Banks	-20.12	-20.10	-20.47	-20.47	-10.17	-9.69	-19.66	-19.66	-20.15	-20.13
Securities & commodity futures	-19.14	-19.14	-20.22	-20.22	-5.60	-5.60	-11.46	-11.46	-19.19	-19.19
Insurance	-10.21	-10.21	-9.82	-9.82	-19.09	-19.09	-12.82	-12.82	-10.21	-10.21
Other financing business	-9.71	-9.71	-12.99	-12.99	-2.85	-2.85	-12.98	-12.98	-9.69	-9.69
Real estate	-7.92	-7.89	-4.86	-4.76	-8.65	-8.63	-5.84	-5.79	-7.94	-7.91
Services	-6.63	-6.61	-3.54	-3.50	-6.84	-6.82	-4.94	-4.84	-6.79	-6.77

Note: Returns are not annualized.

Source: Nomura

Fig. 6: Monthly performance

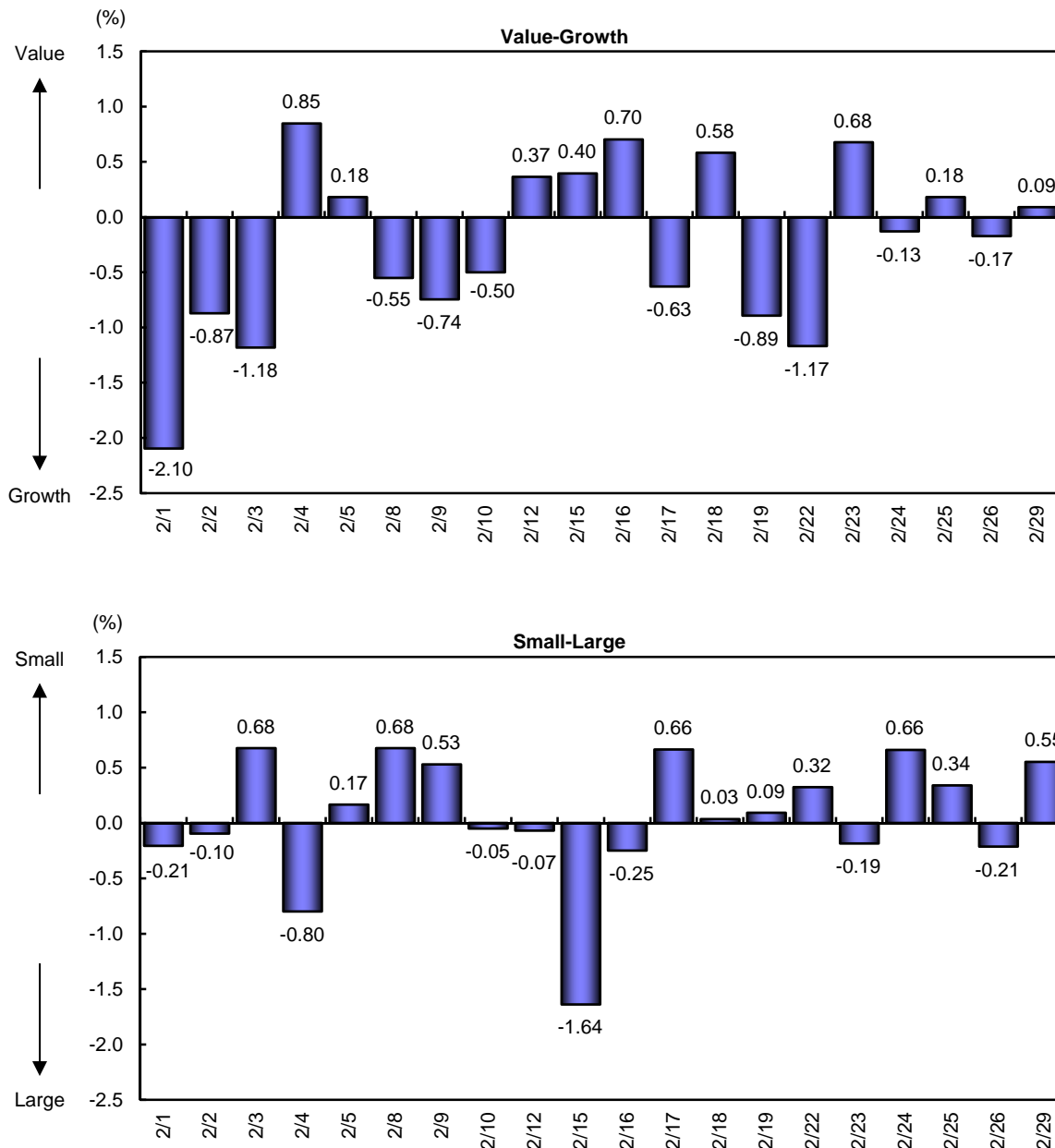
Total returns



Note: Value-Growth is the difference between Value and Growth returns. Small-Large is the difference between Small and Large returns. Returns are not annualized.
Source: Nomura

Fig. 7: Daily performance

Total returns



Note: Value-Growth is the difference between Value and Growth returns. Small-Large is the difference between Small and Large returns. Returns are not annualized.
Source: Nomura

Fig. 8: Russell/Nomura Japan Equity Indexes

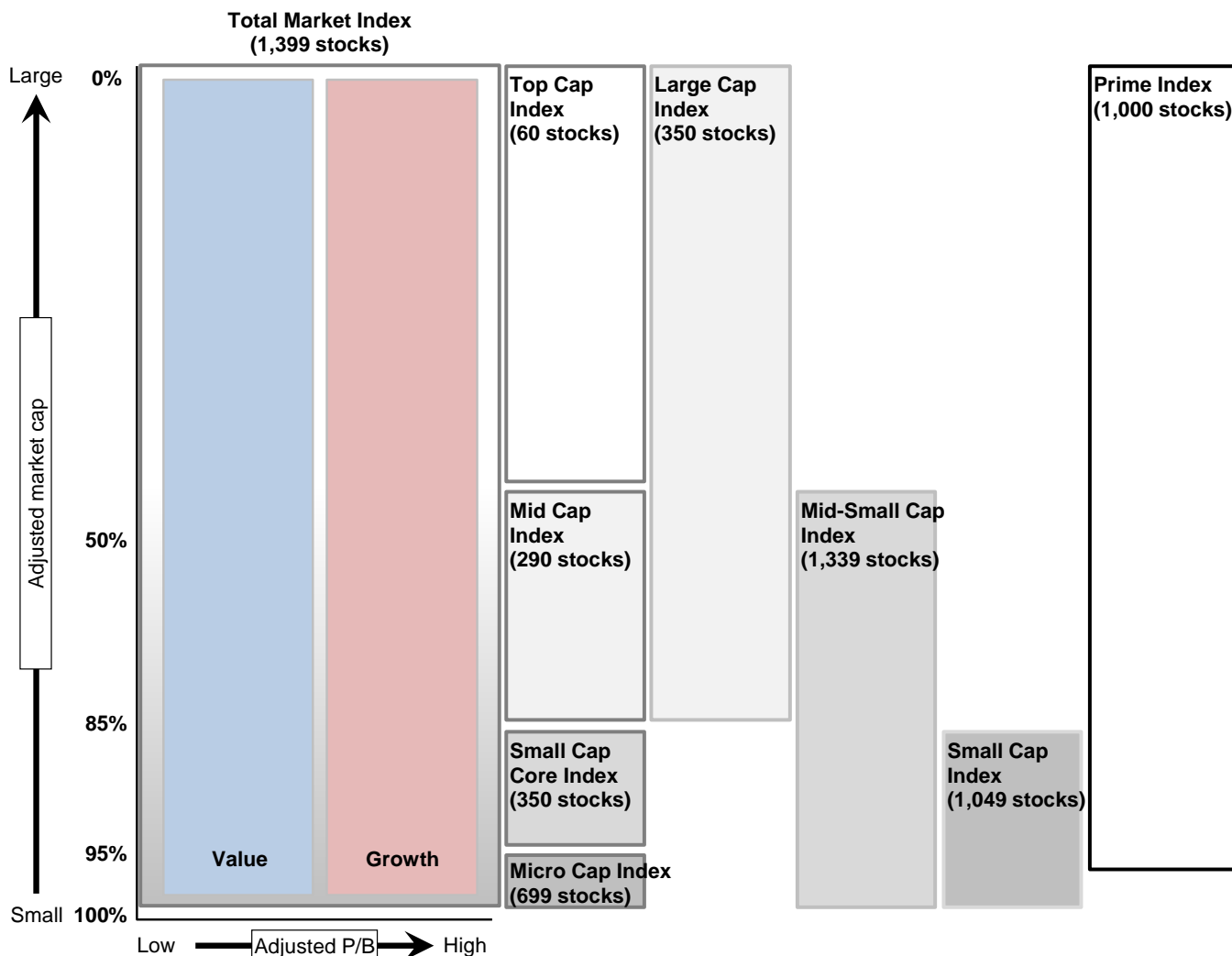
Key indicators (as of end-Feb2016)

Index	P/E (x)	P/B (x)	Dividend yield (%)	ROE (%)	Rec profit growth (%)
Total Market	14.33	1.09	2.25	7.82	5.42
Value	11.67	0.72	2.77	6.34	1.01
Growth	17.74	1.90	1.82	11.15	12.32
Large	14.19	1.12	2.30	8.09	5.49
Large Value	11.27	0.73	2.90	6.60	0.98
Large Growth	17.67	1.89	1.84	11.09	12.07
Top	12.43	1.08	2.61	8.96	4.34
Top Value	9.41	0.70	3.29	7.67	-0.82
Top Growth	16.47	1.83	2.08	11.56	12.36
Mid	17.29	1.17	1.91	6.91	7.29
Mid Value	15.07	0.76	2.40	5.13	3.99
Mid Growth	19.46	1.96	1.54	10.47	11.67
Mid-Small	16.68	1.10	1.92	6.76	6.61
Mid-Small Value	14.59	0.74	2.33	5.18	3.02
Mid-Small Growth	19.21	1.98	1.55	10.71	12.29
Small	15.23	0.96	1.95	6.43	4.94
Small Value	13.75	0.71	2.20	5.28	1.13
Small Growth	18.30	2.04	1.56	11.66	14.61
Small Core	15.73	1.01	1.92	6.60	7.38
Small Core Value	14.43	0.75	2.15	5.30	3.32
Small Core Growth	18.08	2.03	1.60	11.70	16.57
Micro	14.38	0.87	2.00	6.17	0.83
Micro Value	12.72	0.65	2.29	5.24	-2.23
Micro Growth	18.80	2.09	1.48	11.59	10.43
Prime	14.35	1.10	2.26	7.85	5.39
Prime Value	11.67	0.73	2.78	6.36	0.94
Prime Growth	17.73	1.90	1.82	11.13	12.29

Note: All financial data are based on current-FY forecasts (with preference given to consolidated figures).

Source: Nomura

Fig. 9: Russell/Nomura Japan Equity Indexes



Note: No. of stocks in each index is as of end-Feb 2016.
 Source: Nomura

All the indexes (Total Market, the capitalization indexes, Value, Growth, and Prime) also have indexes based on the 33 industrial sectors. Divisions based on market cap exclude the value of stable shareholdings. Value and Growth indexes are defined in terms of P/B ratios adjusted for unrealized gains/losses.

For composition rules and other information, please refer to *Russell/Nomura Japan Equity Indexes rulebook*.

Fig. 10: Russell/Nomura Japan Equity Indexes performance summary

Price returns (excluding dividends), US dollar basis (as of end-Feb 2016)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,399	100.00	619.51	-3.10	-10.50	-9.20	-9.69	-10.44
Value	1,000	45.66	1,233.78	-5.65	-14.38	-14.02	-13.67	-14.00
Growth	759	54.34	277.04	-0.86	-6.96	-4.65	-6.05	-7.20
Large	350	85.83	586.74	-3.28	-10.85	-9.86	-10.76	-10.72
Large Value	219	37.05	1,127.84	-6.10	-15.22	-15.53	-15.19	-14.78
Large Growth	240	48.78	285.12	-1.03	-7.22	-4.92	-7.07	-7.37
Top	60	47.95	451.75	-3.38	-11.70	-11.30	-13.26	-11.58
Top Value	34	20.74	958.32	-6.52	-16.09	-17.39	-17.57	-16.01
Top Growth	40	27.21	228.46	-0.85	-8.03	-5.95	-9.65	-7.88
Mid	290	37.88	875.95	-3.16	-9.75	-7.97	-7.38	-9.62
Mid Value	185	16.31	1,281.42	-5.57	-14.08	-13.11	-12.05	-13.17
Mid Growth	200	21.57	447.91	-1.26	-6.18	-3.58	-3.50	-6.73
Mid-Small	1,339	52.05	865.88	-2.85	-9.37	-7.18	-6.15	-9.36
Mid-Small Value	966	24.92	1,389.64	-4.91	-12.91	-11.05	-10.20	-12.26
Mid-Small Growth	719	27.13	397.43	-0.87	-5.87	-3.30	-2.07	-6.52
Small	1,049	14.17	830.70	-1.99	-8.33	-5.00	-2.73	-8.65
Small Value	781	8.61	1,491.55	-3.64	-10.58	-6.76	-6.40	-10.47
Small Growth	519	5.56	322.95	0.66	-4.62	-2.17	3.58	-5.67
Small Core	350	9.22	143.34	-2.03	-8.07	-4.50	-2.13	-8.50
Small Core Value	256	5.43	197.88	-4.05	-10.50	-6.43	-6.47	-10.56
Small Core Growth	202	3.79	60.58	1.01	-4.35	-1.59	4.85	-5.37
Micro	699	4.94	159.20	-1.92	-8.82	-5.91	-3.79	-8.92
Micro Value	525	3.18	207.55	-2.92	-10.72	-7.28	-6.28	-10.32
Micro Growth	317	1.76	62.56	-0.06	-5.19	-3.36	1.07	-6.29
Prime	1,000	98.00	1,005.38	-3.15	-10.57	-9.30	-9.84	-10.49
Prime Value	712	44.45	1,193.56	-5.73	-14.50	-14.21	-13.86	-14.11
Prime Growth	568	53.54	787.12	-0.90	-7.02	-4.70	-6.21	-7.24

Note: * Returns are not annualized.

Source: Nomura

Fig. 11: Russell/Nomura Japan Equity Indexes performance summary

Total returns (including dividends), US dollar basis (as of end-Feb 2016)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,399	100.00	975.86	-3.07	-10.35	-8.34	-7.94	-10.40
Value	1,000	45.66	2,035.63	-5.63	-14.29	-13.10	-11.74	-13.98
Growth	759	54.34	416.60	-0.81	-6.76	-3.86	-4.51	-7.15
Large	350	85.83	926.59	-3.25	-10.70	-8.98	-9.00	-10.69
Large Value	219	37.05	1,865.26	-6.09	-15.14	-14.59	-13.24	-14.77
Large Growth	240	48.78	431.34	-0.98	-7.01	-4.12	-5.52	-7.33
Top	60	47.95	730.62	-3.35	-11.54	-10.31	-11.34	-11.55
Top Value	34	20.74	1,612.76	-6.52	-16.02	-16.33	-15.42	-16.01
Top Growth	40	27.21	357.49	-0.80	-7.80	-5.04	-7.97	-7.83
Mid	290	37.88	1,342.66	-3.13	-9.62	-7.24	-5.85	-9.57
Mid Value	185	16.31	2,068.14	-5.54	-14.00	-12.33	-10.37	-13.13
Mid Growth	200	21.57	647.26	-1.22	-6.01	-2.92	-2.13	-6.69
Mid-Small	1,339	52.05	1,334.76	-2.80	-9.23	-6.45	-4.58	-9.31
Mid-Small Value	966	24.92	2,252.51	-4.87	-12.80	-10.26	-8.48	-12.21
Mid-Small Growth	719	27.13	574.14	-0.82	-5.69	-2.64	-0.69	-6.47
Small	1,049	14.17	1,300.49	-1.93	-8.18	-4.27	-1.03	-8.58
Small Value	781	8.61	2,439.94	-3.58	-10.45	-5.97	-4.58	-10.42
Small Growth	519	5.56	466.45	0.74	-4.43	-1.54	5.05	-5.59
Small Core	350	9.22	182.21	-1.98	-7.92	-3.76	-0.47	-8.44
Small Core Value	256	5.43	256.27	-4.00	-10.37	-5.65	-4.74	-10.51
Small Core Growth	202	3.79	73.96	1.07	-4.17	-0.94	6.37	-5.31
Micro	699	4.94	205.79	-1.84	-8.65	-5.18	-2.02	-8.84
Micro Value	525	3.18	274.49	-2.86	-10.58	-6.48	-4.34	-10.25
Micro Growth	317	1.76	75.54	0.05	-4.97	-2.77	2.46	-6.18
Prime	1,000	98.00	1,322.43	-3.12	-10.42	-8.43	-8.09	-10.45
Prime Value	712	44.45	1,612.10	-5.71	-14.41	-13.29	-11.93	-14.08
Prime Growth	568	53.54	1,009.43	-0.85	-6.82	-3.91	-4.67	-7.19

Note: * Returns are not annualized.

Source: Nomura

Data publication services

Data for the Russell/Nomura Japan Equity Indexes can be obtained via the following channels.

Index values are published in the following media:

- Bloomberg (RNJI)
- (SQ21, SQ22, SQ23, SQ24)
- QUICK (NRIJ500–503, 510–517)
- Reuters (FRCNRI01, FRCNRI02, FRCNRI03, FRCNRI04)
- Our website (<http://qr.nomuraholdings.com/en/frcnri/index.html>)

Daily index values for the Russell/Nomura Prime Index are published in the following media:

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- Jiji (RT14 or RNPF/2)
- QUICK (140)
- Reuters (.JRN)

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More detailed data

More detailed data on index values and individual stock information can be obtained through Nomura Research Institute services Aurora, e-Aurora, and IDS.

For information, contact:

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Other reports:

Russell/Nomura Japan Equity Indexes rulebook
Russell/Nomura Japan Equity Indexes handbook

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Appendix A-1

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Transactions involving Japanese equities (including Japanese REITs, Japanese ETFs, and Japanese ETNs) are subject to a sales commission of up to 1.404% of the transaction amount (or a commission of ¥2,808 for transactions of ¥200,000 or less). When Japanese equities are purchased via OTC transactions (including offerings), only the purchase price shall be paid, with no sales commission charged. However, Nomura Securities may charge a separate fee for OTC transactions, as agreed with the customer. Japanese equities carry the risk of losses

owing to price fluctuations. Japanese REITs carry the risk of losses owing to fluctuations in price and/or earnings of underlying real estate. Japanese ETFs carry the risk of losses owing to fluctuations in the underlying indexes or other benchmarks.

Transactions involving foreign equities are subject to a domestic sales commission of up to 1.026% of the transaction amount (which equals the local transaction amount plus local fees and taxes in the case of a purchase or the local transaction amount minus local fees and taxes in the case of a sale) (for transaction amounts of ¥750,000 and below, maximum domestic sales commission is ¥7,668). Local fees and taxes in foreign financial instruments markets vary by country/territory. When foreign equities are purchased via OTC transactions (including offerings), only the purchase price shall be paid, with no sales commission charged. However, Nomura Securities may charge a separate fee for OTC transactions, as agreed with the customer. Foreign equities carry the risk of losses owing to factors such as price fluctuations and foreign exchange rate fluctuations.

Margin transactions are subject to a sales commission of up to 1.404% of the transaction amount (or a commission of ¥2,808 for transactions of ¥200,000 or less), as well as management fees and rights handling fees. In addition, long margin transactions are subject to interest on the purchase amount, while short margin transactions are subject to fees for the lending of the shares borrowed. A margin equal to at least 30% of the transaction amount and at least ¥300,000 is required. With margin transactions, an amount up to roughly 3.3x the margin may be traded. Margin transactions therefore carry the risk of losses in excess of the margin owing to share price fluctuations. For details, please thoroughly read the written materials provided, such as listed securities documents or documents delivered before making a contract.

Transactions involving convertible bonds are subject to a sales commission of up to 1.08% of the transaction amount (or a commission of ¥4,320 if this would be less than ¥4,320). When convertible bonds are purchased via OTC transactions (including offerings), only the purchase price shall be paid, with no sales commission charged. However, Nomura Securities may charge a separate fee for OTC transactions, as agreed with the customer. Convertible bonds carry the risk of losses owing to factors such as interest rate fluctuations and price fluctuations in the underlying stock. In addition, convertible bonds denominated in foreign currencies also carry the risk of losses owing to factors such as foreign exchange rate fluctuations.

When bonds are purchased via public offerings, secondary distributions, or other OTC transactions with Nomura Securities, only the purchase price shall be paid, with no sales commission charged. Bonds carry the risk of losses, as prices fluctuate in line with changes in market interest rates. Bond prices may also fall below the invested principal as a result of such factors as changes in the management and financial circumstances of the issuer, or changes in third-party valuations of the bond in question. In addition, foreign currency-denominated bonds also carry the risk of losses owing to factors such as foreign exchange rate fluctuations.

When Japanese government bonds (JGBs) for individual investors are purchased via public offerings, only the purchase price shall be paid, with no sales commission charged. As a rule, JGBs for individual investors may not be sold in the first 12 months after issuance. When JGBs for individual investors are sold before maturity, an amount calculated via the following formula will be subtracted from the par value of the bond plus accrued interest: (1) for 10-year variable rate bonds, an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used, (2) for 5-year and 3-year fixed rate bonds, an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used. When inflation-indexed JGBs are purchased via public offerings, secondary distributions (uridashi deals), or other OTC transactions with Nomura Securities, only the purchase price shall be paid, with no sales commission charged. Inflation-indexed JGBs carry the risk of losses, as prices fluctuate in line with changes in market interest rates and fluctuations in the nationwide consumer price index. The notional principal of inflation-indexed JGBs changes in line with the rate of change in nationwide CPI inflation from the time of its issuance. The amount of the coupon payment is calculated by multiplying the coupon rate by the notional principal at the time of payment. The maturity value is the amount of the notional principal when the issue becomes due. For J117 and subsequent issues, the maturity value shall not undercut the face amount. Purchases of investment trusts (and sales of some investment trusts) are subject to a purchase or sales fee of up to 5.4% of the transaction amount. Also, a direct cost that may be incurred when selling investment trusts is a fee of up to 2.0% of the unit price at the time of redemption. Indirect costs that may be incurred during the course of holding investment trusts include, for domestic investment trusts, an asset management fee (trust fee) of up to 5.4% (annualized basis) of the net assets in trust, as well as fees based on investment performance. Other indirect costs may also be incurred. For foreign investment trusts, indirect fees may be incurred during the course of holding such as investment company compensation.

Investment trusts invest mainly in securities such as Japanese and foreign equities and bonds, whose prices fluctuate. Investment trust unit prices fluctuate owing to price fluctuations in the underlying assets and to foreign exchange rate fluctuations. As such, investment trusts carry the risk of losses. Fees and risks vary by investment trust. Maximum applicable fees are subject to change; please thoroughly read the written materials provided, such as prospectuses or documents delivered before making a contract.

In interest rate swap transactions and USD/JPY basis swap transactions ("interest rate swap transactions, etc."), only the agreed transaction payments shall be made on the settlement dates. Some interest rate swap transactions, etc. may require pledging of margin collateral. In some of these cases, transaction payments may exceed the amount of collateral. There shall be no advance notification of required collateral value or collateral ratios as they vary depending on the transaction. Interest rate swap transactions, etc. carry the risk of losses owing to fluctuations in market prices in the interest rate, currency and other markets, as well as reference indices. Losses incurred as such may exceed the value of margin collateral, in which case margin calls may be triggered. In the event that both parties agree to enter a replacement (or termination) transaction, the interest rates received (paid) under the new arrangement may differ from those in the original arrangement, even if terms other than the interest rates are identical to those in the original transaction. Risks vary by transaction. Please thoroughly read the written materials provided, such as documents delivered before making a contract and disclosure statements.

In OTC transactions of credit default swaps (CDS), no sales commission will be charged. When entering into CDS transactions, the protection buyer will be required to pledge or entrust an agreed amount of margin collateral. In some of these cases, the transaction payments may exceed the amount of margin collateral. There shall be no advance notification of required collateral value or collateral ratios as they vary depending on the financial position of the protection buyer. CDS transactions carry the risk of losses owing to changes in the credit position of some or all of the referenced entities, and/or fluctuations of the interest rate market. The amount the protection buyer receives in the event that the CDS is triggered by a credit event may undercut the total amount of premiums that he/she has paid in the course of the transaction. Similarly, the amount the protection seller pays in the event of a credit event may exceed the total amount of premiums that he/she has received in the transaction. All other conditions being equal, the amount of premiums that the protection buyer pays and that received by the protection seller shall differ. In principle, CDS transactions will be limited to financial instruments business operators and qualified institutional investors.

No account fee will be charged for marketable securities or monies deposited. Transfers of equities to another securities company via the Japan Securities Depository Center are subject to a transfer fee of up to ¥10,800 per issue transferred depending on volume.

Nomura Securities Co., Ltd.

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