

Russell/Nomura Japan Equity Indexes

EQUITY QUANTITATIVE RESEARCH (INDEX)

Performance summary April 2019



Global Markets Research

8 May 2019

Research analysts

Japan index products

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

Total return (including dividends, as of end-Apr 2019)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,592	100.00	619.77	1.92	4.59	-0.17	-6.53	10.00
Value	1,103	49.94	1,305.27	1.35	1.58	-3.03	-8.84	7.45
Growth	875	50.06	263.96	2.50	7.81	2.84	-4.09	12.69
Large	350	85.25	585.72	1.97	4.57	0.18	-5.49	10.22
Large Value	223	41.15	1,194.28	1.27	1.39	-2.71	-7.48	7.69
Large Growth	231	44.10	271.37	2.63	7.78	3.03	-3.50	12.71
Top	71	51.56	466.96	2.91	5.29	-0.17	-4.31	11.55
Top Value	47	24.81	1,039.79	2.00	2.05	-3.12	-7.31	8.57
Top Growth	46	26.75	228.49	3.77	8.57	2.69	-1.39	14.54
Mid	279	33.69	837.32	0.56	3.49	0.72	-7.22	8.24
Mid Value	176	16.34	1,315.67	0.19	0.39	-2.22	-7.82	6.39
Mid Growth	185	17.35	398.10	0.92	6.61	3.66	-6.66	10.05
Mid-Small	1,521	48.44	843.14	0.89	3.85	-0.18	-8.76	8.39
Mid-Small Value	1,056	25.13	1,438.60	0.72	1.12	-3.01	-10.28	6.37
Mid-Small Growth	829	23.31	360.52	1.09	6.97	3.04	-7.02	10.67
Small	1,242	14.75	849.93	1.65	4.65	-2.15	-12.07	8.75
Small Value	880	8.79	1,566.40	1.72	2.49	-4.51	-14.80	6.34
Small Growth	644	5.96	311.57	1.57	8.02	1.38	-8.02	12.52
Small Core	446	10.26	275.10	1.61	4.01	-1.82	-11.87	8.42
Small Core Value	319	6.00	379.58	1.50	1.39	-4.37	-14.57	5.98
Small Core Growth	242	4.25	114.61	1.77	7.95	1.90	-7.97	12.07
Micro	796	4.49	326.98	1.75	6.15	-2.92	-12.52	9.50
Micro Value	561	2.79	428.16	2.18	4.95	-4.80	-15.30	7.13
Micro Growth	402	1.71	122.29	1.05	8.20	0.11	-8.12	13.65
Prime	993	97.24	1,735.13	1.94	4.54	-0.05	-6.29	10.02
Prime Value	700	48.35	2,135.69	1.34	1.47	-2.96	-8.60	7.49
Prime Growth	549	48.88	1,321.55	2.54	7.81	2.98	-3.87	12.67

Note: * Returns are not annualized.

Source: Nomura

Japanese version published on May 7, 2019

What are the Russell/Nomura Japan Equity Indexes?

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

Russell/Nomura Japan Equity Indexes should be useful in:

- Determining investment strategies (strategic asset allocation)
- Determining manager structures
- Devising asset management benchmarks
- Supporting portfolio management activities
- Evaluating the performance of various investment styles
- Managing risk

Russell/Nomura Japan Equity Indexes have the following characteristics:

- They are share price indexes that are weighted by free float-adjusted market capitalization and cover the top 98% of all listed stocks in terms of float-adjusted market capitalization, thereby offering broad market coverage.
- In addition to stocks listed on the First Section of the Tokyo Stock Exchange (TSE-1), they include stocks listed on other exchanges.
- Because the indexes take into consideration the stable shareholding ratio, they reflect the stocks that are actually available for investment.
- There are style indexes for large and small companies and for value and growth stocks.
- The Prime Index consists of the top 1,000 stocks in the Total Market Index by market cap excluding stable shareholdings.
- Stocks are selected quantitatively based on clearly defined criteria.
- The composition of each index is reviewed once a year.

Complete details of rules for the Russell/Nomura Japan Equity Index can be found in the *Russell/Nomura Japan Equity Indexes rulebook*.

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

Price return (excluding dividends, as of end-Apr 2019)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,592	100.00	364.98	1.91	3.43	-1.47	-8.68	8.78
Value	1,103	49.94	721.78	1.35	0.12	-4.58	-11.38	5.90
Growth	875	50.06	165.43	2.48	6.99	1.81	-5.83	11.83
Large	350	85.25	343.57	1.96	3.42	-1.13	-7.72	8.99
Large Value	223	41.15	656.64	1.27	-0.09	-4.29	-10.17	6.11
Large Growth	231	44.10	168.88	2.60	6.95	2.00	-5.30	11.84
Top	71	51.56	265.38	2.88	4.03	-1.60	-6.80	10.21
Top Value	47	24.81	556.15	1.99	0.42	-4.84	-10.27	6.84
Top Growth	46	26.75	136.63	3.73	7.67	1.56	-3.42	13.59
Mid	279	33.69	511.67	0.57	2.50	-0.42	-9.08	7.18
Mid Value	176	16.34	751.71	0.20	-0.87	-3.58	-10.11	5.02
Mid Growth	185	17.35	261.72	0.92	5.89	2.76	-8.11	9.30
Mid-Small	1,521	48.44	512.04	0.89	2.81	-1.34	-10.58	7.30
Mid-Small Value	1,056	25.13	819.51	0.72	-0.18	-4.39	-12.45	4.99
Mid-Small Growth	829	23.31	237.05	1.08	6.23	2.13	-8.45	9.90
Small	1,242	14.75	507.54	1.64	3.52	-3.37	-13.79	7.56
Small Value	880	8.79	886.36	1.70	1.14	-5.90	-16.75	4.93
Small Growth	644	5.96	204.74	1.55	7.24	0.45	-9.40	11.70
Small Core	446	10.26	202.32	1.60	2.88	-3.01	-13.59	7.24
Small Core Value	319	6.00	271.54	1.50	0.06	-5.72	-16.49	4.59
Small Core Growth	242	4.25	88.92	1.76	7.13	0.94	-9.41	11.22
Micro	796	4.49	236.44	1.73	5.00	-4.17	-14.25	8.30
Micro Value	561	2.79	299.15	2.15	3.52	-6.28	-17.30	5.66
Micro Growth	402	1.71	96.58	1.04	7.52	-0.75	-9.37	12.91
Prime	993	97.24	1,223.34	1.92	3.39	-1.35	-8.46	8.80
Prime Value	700	48.35	1,441.99	1.34	0.01	-4.51	-11.16	5.94
Prime Growth	549	48.88	970.88	2.51	6.98	1.95	-5.63	11.80

Note: * Returns are not annualized.

Source: Nomura

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

Total return (including dividends, as of end-Apr 2019)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,592	100.00	619.77	1.92	4.59	-0.17	-6.53	10.00
Value	1,103	49.94	1,305.27	1.35	1.58	-3.03	-8.84	7.45
Growth	875	50.06	263.96	2.50	7.81	2.84	-4.09	12.69
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Large Growth	231	44.10	271.37	2.63	7.78	3.03	-3.50	12.71
Top	71	51.56	466.96	2.91	5.29	-0.17	-4.31	11.55
Top Value	47	24.81	1,039.79	2.00	2.05	-3.12	-7.31	8.57
Top Growth	46	26.75	228.49	3.77	8.57	2.69	-1.39	14.54
Mid	279	33.69	837.32	0.56	3.49	0.72	-7.22	8.24
Mid Value	176	16.34	1,315.67	0.19	0.39	-2.22	-7.82	6.39
Mid Growth	185	17.35	398.10	0.92	6.61	3.66	-6.66	10.05
Mid-Small	1,521	48.44	843.14	0.89	3.85	-0.18	-8.76	8.39
Mid-Small Value	1,056	25.13	1,438.60	0.72	1.12	-3.01	-10.28	6.37
Mid-Small Growth	829	23.31	360.52	1.09	6.97	3.04	-7.02	10.67
Small	1,242	14.75	849.93	1.65	4.65	-2.15	-12.07	8.75
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Small Core	446	10.26	275.10	1.61	4.01	-1.82	-11.87	8.42
Small Core Value	319	6.00	379.58	1.50	1.39	-4.37	-14.57	5.98
Small Core Growth	242	4.25	114.61	1.77	7.95	1.90	-7.97	12.07
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Micro Value	561	2.79	428.16	2.18	4.95	-4.80	-15.30	7.13
Micro Growth	402	1.71	122.29	1.05	8.20	0.11	-8.12	13.65
Prime	993	97.24	1,735.13	1.94	4.54	-0.05	-6.29	10.02
Prime Value	700	48.35	2,135.69	1.34	1.47	-2.96	-8.60	7.49
Prime Growth	549	48.88	1,321.55	2.54	7.81	2.98	-3.87	12.67

Note: * Returns are not annualized.

Source: Nomura

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

Number of stocks and weighting (as of end-Apr 2019)

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	1,592	100.00	1,103	100.00	875	100.00	1,242	100.00	993	100.00
Fishery, agriculture & forestry	5	0.12	5	0.09	4	0.15	5	0.81	4	0.12
Mining	5	0.29	5	0.57	0	0.00	4	0.21	2	0.28
Construction	79	2.72	75	3.73	28	1.72	66	5.23	48	2.67
Foods	65	3.93	44	1.45	42	6.41	45	3.94	41	3.92
Textiles & apparel	21	0.58	19	1.01	7	0.15	19	1.71	15	0.57
Pulp & paper	10	0.26	9	0.52	3	0.01	9	0.98	6	0.25
Chemicals	121	7.56	95	6.07	54	9.04	90	8.16	78	7.56
Pharmaceuticals	42	5.06	20	1.22	36	8.89	23	2.10	35	5.17
Oil & coal products	7	0.61	7	1.03	2	0.20	4	0.09	3	0.61
Rubber products	12	0.82	11	1.35	5	0.29	9	0.65	8	0.83
Glass & ceramics products	25	0.89	21	1.21	12	0.57	18	1.28	15	0.87
Iron & steel	20	0.88	20	1.76	1	0.01	16	1.25	15	0.89
Nonferrous metals	20	0.79	19	1.55	3	0.03	17	1.85	15	0.79
Metal products	29	0.55	27	0.79	8	0.32	24	1.29	17	0.53
Machinery	108	5.29	90	3.77	55	6.81	87	7.07	69	5.24
Electric appliances	129	14.98	98	10.12	72	19.83	89	6.94	90	15.20
Transportation equipment	53	7.44	50	12.92	15	1.98	38	3.21	39	7.59
Precision instruments	25	2.16	11	0.48	22	3.84	19	2.15	19	2.20
Other products	36	2.14	25	0.89	24	3.40	29	2.08	21	2.14
Electric power & gas	21	1.74	18	3.43	6	0.05	10	0.84	16	1.76
Land transportation	41	4.42	30	5.18	29	3.67	20	2.10	31	4.49
Marine transportation	6	0.18	6	0.37	1	0.00	4	0.31	4	0.18
Air transportation	2	0.58	2	1.06	2	0.10	0	0.00	2	0.60
Warehousing & harbor transportation services	9	0.16	8	0.31	1	0.02	8	0.69	6	0.16
Information & communications	134	9.32	36	5.12	121	13.51	112	8.54	64	9.23
Wholesale trade	109	4.69	93	8.02	42	1.38	97	7.00	54	4.59
Retail trade	145	4.54	72	2.07	106	7.01	122	9.68	95	4.44
Banks	77	5.84	77	11.61	1	0.07	63	5.98	58	5.92
Securities & commodity futures	19	0.85	14	1.37	9	0.33	16	1.21	14	0.85
Insurance	9	2.31	7	4.46	3	0.16	3	0.34	8	2.37
Other financing business	21	1.15	15	1.56	10	0.74	15	1.58	17	1.16
Real estate	49	2.11	37	3.07	24	1.15	40	2.39	22	2.05
Services	138	5.01	37	1.85	127	8.17	121	8.34	62	4.78

Source: Nomura

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

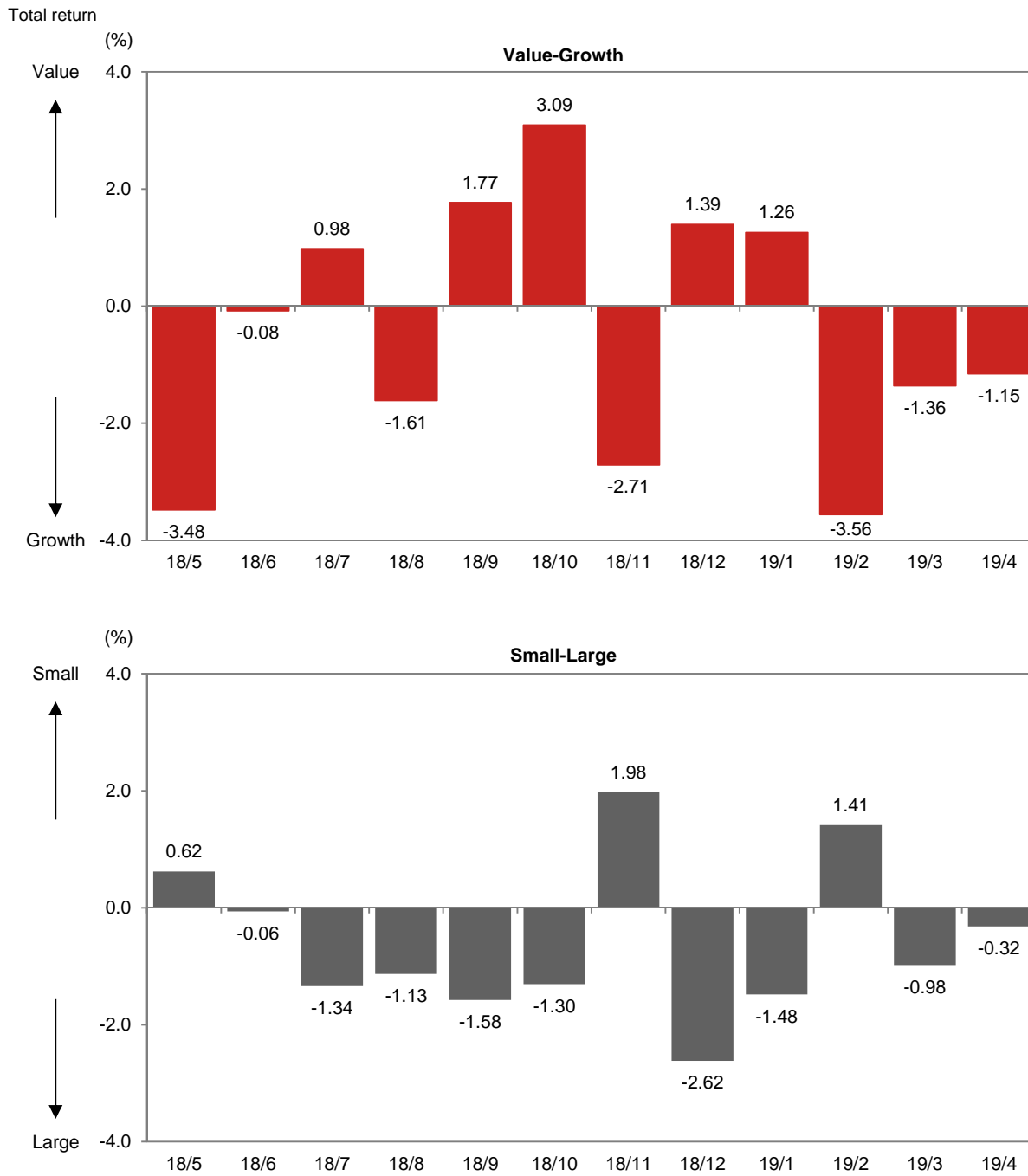
Monthly return* (as of end-Apr 2019)

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	1.91	1.92	1.35	1.35	2.48	2.50	1.64	1.65	1.92	1.94
Fishery, agriculture & forestry	-7.73	-7.73	-6.16	-6.16	-8.62	-8.62	-7.73	-7.73	-7.96	-7.96
Mining	2.19	2.19	2.19	2.19	-	-	0.43	0.43	2.31	2.31
Construction	-3.01	-2.99	-2.35	-2.33	-4.38	-4.38	0.00	0.06	-3.12	-3.11
Foods	-2.81	-2.80	-0.22	-0.22	-3.37	-3.36	-1.30	-1.28	-2.88	-2.87
Textiles & apparel	3.77	3.77	4.53	4.53	-1.18	-1.18	0.40	0.40	3.78	3.78
Pulp & paper	-3.31	-3.31	-3.36	-3.36	0.03	0.03	-3.51	-3.51	-3.70	-3.70
Chemicals	3.64	3.64	4.57	4.57	3.03	3.03	5.83	5.84	3.69	3.70
Pharmaceuticals	-3.77	-3.77	-6.60	-6.60	-3.37	-3.37	-2.29	-2.29	-3.82	-3.82
Oil & coal products	3.88	3.88	5.06	5.06	-1.91	-1.91	2.61	2.61	3.91	3.91
Rubber products	3.09	3.09	3.08	3.08	3.14	3.14	2.59	2.59	3.20	3.20
Glass & ceramics products	0.28	0.28	0.72	0.72	-0.65	-0.65	3.47	3.47	0.10	0.10
Iron & steel	1.02	1.02	1.04	1.04	-4.81	-4.81	-0.02	-0.01	0.99	1.00
Nonferrous metals	2.28	2.28	2.43	2.43	-5.37	-5.37	2.30	2.30	2.28	2.28
Metal products	1.54	1.54	-0.60	-0.60	7.35	7.35	0.94	0.94	1.31	1.31
Machinery	8.14	8.15	6.39	6.40	9.13	9.14	7.69	7.72	8.20	8.21
Electric appliances	6.94	7.02	5.79	5.82	7.55	7.65	7.23	7.24	6.97	7.05
Transportation equipment	5.09	5.09	5.84	5.84	0.47	0.47	4.47	4.50	5.10	5.10
Precision instruments	2.78	2.78	0.74	0.74	3.04	3.04	2.81	2.81	2.76	2.76
Other products	9.51	9.61	1.23	1.24	11.90	12.02	0.30	0.32	9.78	9.88
Electric power & gas	-9.06	-9.06	-9.17	-9.17	-2.17	-2.17	-1.36	-1.36	-9.19	-9.19
Land transportation	-3.85	-3.84	-2.88	-2.87	-5.18	-5.17	-1.45	-1.45	-3.90	-3.89
Marine transportation	18.91	18.91	18.95	18.95	-2.35	-2.35	22.87	22.87	19.81	19.81
Air transportation	-4.29	-4.29	-4.29	-4.29	-4.29	-4.29	-	-	-4.29	-4.29
Warehousing & harbor transportation services	0.28	0.28	0.36	0.36	-0.92	-0.86	-1.54	-1.54	0.18	0.19
Information & communications	3.17	3.17	0.39	0.39	4.26	4.26	0.90	0.90	3.30	3.30
Wholesale trade	1.31	1.32	1.53	1.54	0.05	0.06	0.68	0.69	1.28	1.29
Retail trade	-2.62	-2.62	-4.44	-4.45	-2.08	-2.06	-1.46	-1.44	-2.69	-2.68
Banks	0.71	0.71	0.77	0.77	-7.65	-7.65	-0.85	-0.85	0.75	0.75
Securities & commodity futures	-0.29	-0.53	0.35	0.07	-2.86	-2.93	-1.63	-1.71	-0.25	-0.50
Insurance	3.36	3.36	3.19	3.19	8.19	8.19	-2.65	-2.65	3.39	3.39
Other financing business	-2.09	-2.09	-0.77	-0.77	-4.76	-4.76	-0.63	-0.63	-2.07	-2.07
Real estate	-6.23	-6.23	-6.42	-6.42	-5.71	-5.71	-1.48	-1.47	-6.61	-6.61
Services	2.18	2.18	-0.72	-0.71	2.86	2.86	2.62	2.64	2.25	2.26

Note: * Returns are not annualized.

Source: Nomura

Fig. 6: Monthly performance

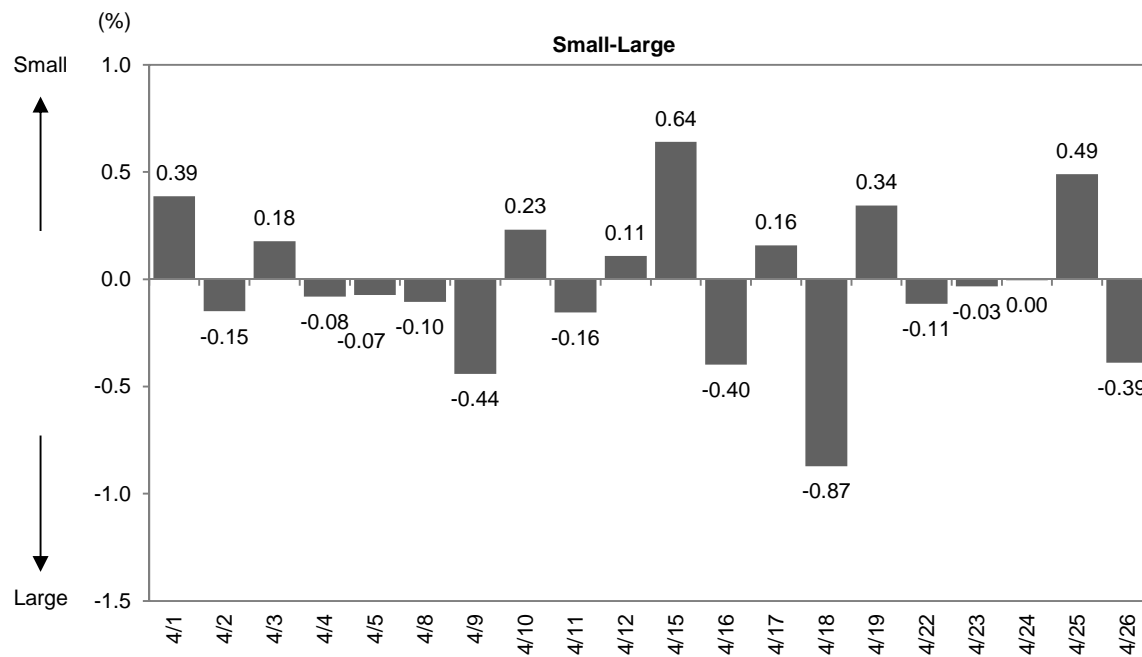
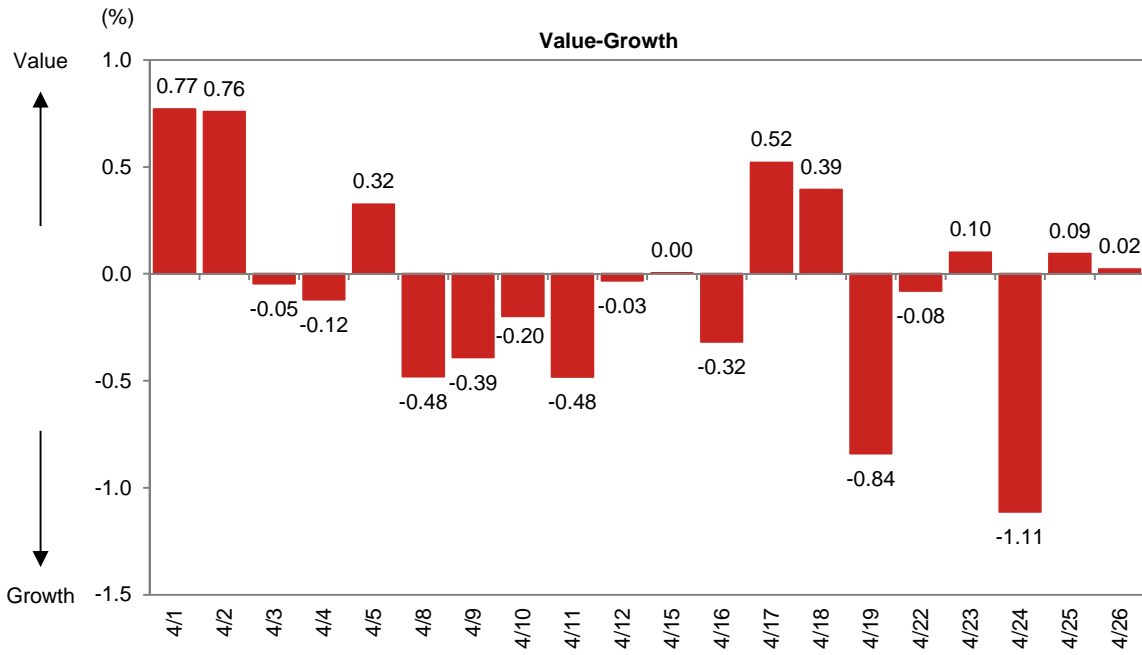


Note: Value-Growth is the difference between Value and Growth returns. Small-Large is the difference between Small and Large returns. Returns are not annualized.

Source: Nomura

Fig. 7: Daily performance

Total return



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

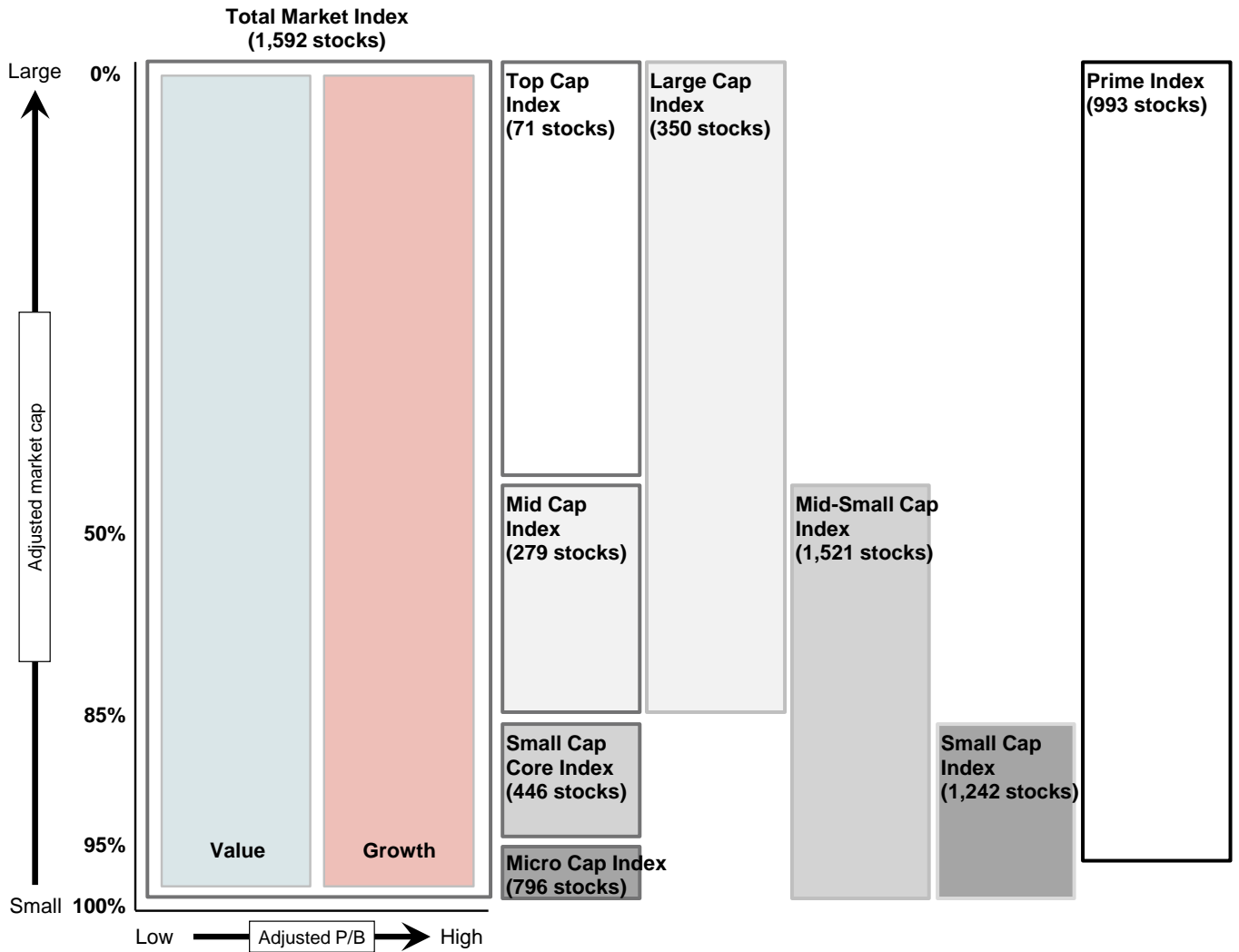
Key indicators (as of end-Apr 2019)

Index	P/E (x)	P/B (x)	Dividend yield (%)	ROE (%)	Rec profit growth (%)
Total Market	13.22	1.14	2.45	8.90	7.23
Value	10.25	0.77	3.08	7.71	9.51
Growth	18.61	2.21	1.83	12.40	3.33
Large	13.06	1.18	2.52	9.28	6.72
Large Value	9.98	0.78	3.21	8.08	9.18
Large Growth	18.38	2.20	1.87	12.48	2.71
Top	12.52	1.15	2.73	9.50	5.22
Top Value	9.56	0.77	3.48	8.23	8.83
Top Growth	17.58	2.17	2.03	12.88	-0.36
Mid	13.99	1.21	2.20	8.93	9.33
Mid Value	10.68	0.81	2.80	7.83	9.77
Mid Growth	19.75	2.25	1.63	11.84	8.56
Mid-Small	14.06	1.13	2.16	8.29	9.69
Mid-Small Value	11.04	0.77	2.68	7.18	10.27
Mid-Small Growth	19.94	2.26	1.59	11.82	8.56
Small	14.23	0.98	2.08	7.09	10.53
Small Value	11.78	0.71	2.47	6.15	11.33
Small Growth	20.54	2.32	1.50	11.73	8.56
Small Core	14.21	1.01	2.09	7.29	12.11
Small Core Value	11.89	0.73	2.46	6.24	13.61
Small Core Growth	19.61	2.26	1.56	12.02	8.86
Micro	14.27	0.93	2.05	6.68	7.11
Micro Value	11.53	0.67	2.48	5.97	6.91
Micro Growth	23.31	2.46	1.34	10.96	7.73
Prime	13.19	1.15	2.47	8.97	7.21
Prime Value	10.22	0.77	3.10	7.77	9.57
Prime Growth	18.53	2.21	1.84	12.42	3.22

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-Apr 2019.
 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 return (excluding dividends), US dollar basis (as of end-Apr 2019)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,592	100.00	784.05	1.06	0.71	-0.12	-10.54	7.53
Value	1,103	49.94	1,550.53	0.50	-2.52	-3.28	-13.19	4.69
Growth	875	50.06	355.37	1.62	4.17	3.20	-7.75	10.55
Large	350	85.25	738.05	1.11	0.69	0.22	-9.60	7.74
Large Value	223	41.15	1,410.60	0.43	-2.73	-2.98	-12.00	4.90
Large Growth	231	44.10	362.78	1.75	4.13	3.39	-7.23	10.56
Top	71	51.56	570.09	2.03	1.28	-0.25	-8.70	8.95
Top Value	47	24.81	1,194.73	1.14	-2.23	-3.54	-12.10	5.62
Top Growth	46	26.75	293.51	2.86	4.83	2.95	-5.40	12.29
Mid	279	33.69	1,099.16	-0.27	-0.20	0.94	-10.94	5.96
Mid Value	176	16.34	1,614.83	-0.64	-3.48	-2.27	-11.94	3.82
Mid Growth	185	17.35	562.22	0.07	3.10	4.16	-9.99	8.05
Mid-Small	1,521	48.44	1,099.95	0.05	0.10	0.00	-12.41	6.07
Mid-Small Value	1,056	25.13	1,760.46	-0.12	-2.81	-3.08	-14.24	3.79
Mid-Small Growth	829	23.31	509.23	0.24	3.43	3.53	-10.32	8.65
Small	1,242	14.75	1,090.29	0.80	0.79	-2.05	-15.55	6.33
Small Value	880	8.79	1,904.07	0.86	-1.53	-4.61	-18.45	3.73
Small Growth	644	5.96	439.82	0.71	4.41	1.82	-11.25	10.42
Small Core	446	10.26	184.93	0.76	0.17	-1.69	-15.36	6.01
Small Core Value	319	6.00	248.19	0.65	-2.58	-4.44	-18.19	3.39
Small Core Growth	242	4.25	81.28	0.91	4.31	2.32	-11.26	9.95
Micro	796	4.49	216.12	0.88	2.24	-2.86	-16.00	7.07
Micro Value	561	2.79	273.44	1.30	0.79	-5.00	-18.99	4.46
Micro Growth	402	1.71	88.28	0.20	4.68	0.60	-11.22	11.62
Prime	993	97.24	1,270.44	1.08	0.66	0.00	-10.33	7.56
Prime Value	700	48.35	1,497.52	0.49	-2.63	-3.20	-12.98	4.73
Prime Growth	549	48.88	1,008.26	1.66	4.16	3.35	-7.56	10.53

Note: * Returns are not annualized.

Source: Nomura

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

Total return (including dividends), US dollar basis (as of end-Apr 2019)

Index	No. of stocks	Weight (%)	Index value	Returns (%) *				
				1 month	3 months	6 months	12 months	YTD
Total Market	1,592	100.00	1,331.39	1.08	1.83	1.19	-8.44	8.74
Value	1,103	49.94	2,803.98	0.51	-1.10	-1.71	-10.70	6.22
Growth	875	50.06	567.05	1.65	4.97	4.24	-6.05	11.40
Large	350	85.25	1,258.24	1.12	1.82	1.55	-7.42	8.96
Large Value	223	41.15	2,565.55	0.43	-1.29	-1.38	-9.37	6.46
Large Growth	231	44.10	582.95	1.78	4.94	4.44	-5.47	11.42
Top	71	51.56	1,003.12	2.05	2.52	1.19	-6.27	10.28
Top Value	47	24.81	2,233.67	1.15	-0.64	-1.80	-9.20	7.33
Top Growth	46	26.75	490.84	2.91	5.70	4.09	-3.41	13.23
Mid	279	33.69	1,798.73	-0.27	0.77	2.09	-9.11	7.00
Mid Value	176	16.34	2,826.31	-0.65	-2.26	-0.88	-9.70	5.17
Mid Growth	185	17.35	855.19	0.08	3.80	5.08	-8.57	8.79
Mid-Small	1,521	48.44	1,811.24	0.05	1.11	1.18	-10.62	7.16
Mid-Small Value	1,056	25.13	3,090.41	-0.12	-1.55	-1.68	-12.12	5.16
Mid-Small Growth	829	23.31	774.47	0.24	4.15	4.45	-8.92	9.41
Small	1,242	14.75	1,825.82	0.81	1.89	-0.81	-13.86	7.51
Small Value	880	8.79	3,364.93	0.87	-0.21	-3.20	-16.54	5.13
Small Growth	644	5.96	669.32	0.72	5.17	2.77	-9.89	11.23
Small Core	446	10.26	251.46	0.77	1.26	-0.47	-13.67	7.18
Small Core Value	319	6.00	346.95	0.65	-1.28	-3.06	-16.31	4.77
Small Core Growth	242	4.25	104.76	0.93	5.11	3.30	-9.85	10.79
Micro	796	4.49	298.87	0.90	3.36	-1.59	-14.30	8.25
Micro Value	561	2.79	391.35	1.33	2.18	-3.50	-17.03	5.90
Micro Growth	402	1.71	111.77	0.21	5.34	1.47	-9.99	12.35
Prime	993	97.24	1,801.94	1.09	1.78	1.31	-8.20	8.77
Prime Value	700	48.35	2,217.92	0.49	-1.21	-1.63	-10.46	6.27
Prime Growth	549	48.88	1,372.44	1.69	4.97	4.39	-5.84	11.39

Note: * Returns are not annualized.

Source: Nomura

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Data for the Russell/Nomura Japan Equity Indexes can be obtained via the following channels.¹

Index values are published in the following media:

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- Jiji (RNSI/12400, RNSIIDV/12400)
- QUICK (NRIJ500–503, 510–517)
- Reuters (FRCNRI01, FRCNRI02, FRCNRI03, FRCNRI04, .JRNP, .JRNS)
- Our website (<http://qr.nomuraholdings.com/en/frcnri/index.html>)

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Appendix A-1

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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 J17 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.

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