

PRESS RELEASE
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NIKKO ASSET MANAGEMENT CO., LTD.

Nikko Asset Management's Global Fixed Income Team Awarded Japanese Mandates

Nikko Asset Management's Global Fixed Income team, based in London, has secured a series of Japanese institutional mandates for the firm, further positioning the asset manager as a pioneer in the Japanese institutional space. The new mandates are focused on higher yielding and high credit quality solutions that meet the need of institutional clients for a positive yielding currency-hedged investment. These mandates have so far focused on investments mainly in the U.S. fixed income market.

The Bank of Japan's decision to move to negative interest rates in January has led to Japanese government bonds generating negative yields, including the 10-year government bond. As a result, Nikko Asset Management has seen a significant increase in demand for global fixed income products from Japanese institutional clients.

Over the past two years, Nikko Asset Management's Global Fixed Income capability has grown substantially, adding depth and expertise, including Portfolio Managers, Steve Williams (Core Solutions), Raphael Marechal (Emerging Market Debt) and Holger Mertens (Global Credit). The firm's commitment to increasing the strength of the capability allows it to offer its clients a wide range of global fixed income solutions.

"Building on Nikko Asset Management's strong client relationships in Japan and our extensive investment skills in London and globally, we have been able to tailor specialised investment solutions for our institutional clients," said Co-Head of Global Fixed Income, Andre Severino. "From the experience we have gained in Europe since June 2014 (after the ECB introduced negative rates), we expect greater Japanese demand for global fixed income in the current climate and our Global Fixed Income team is well positioned to meet this new demand."

"Our recent mandate wins demonstrate how Nikko Asset Management is taking full advantage of its global capabilities to provide customised solutions to Japanese clients. As one of London's most experienced Global Fixed Income teams, we are able to respond to our clients' changing needs and create investment opportunities that develop alpha for them within global fixed income," said Udo von Werne, Chief Executive Officer of Nikko Asset Management Europe Limited. "With the assistance of our Tokyo colleagues, we are committed to further building our relationships with Japanese institutions and highlighting the opportunities to be discovered in global fixed income markets."

About Nikko Asset Management

Nikko Asset Management is positioning itself to be Asia's premier global asset manager. The firm offers world-class asset management solutions for global investors, and has US\$154.9 billion (17.42 trillion yen) in assets under management*. With more than 200 investment professionals**, the firm leverages its extensive global resources representing over 30 nationalities across 11 countries. Headquartered in Asia for over 55 years, Nikko Asset Management's vantage point, extending east to west, distinguishes its investment approach.

For more information, please visit <https://www.nikkoam.co.uk/>

* Consolidated assets under management and sub-advisory of Nikko Asset Management and its subsidiaries as of March 31, 2016.

** As of March 31, 2016, including employees of Nikko Asset Management and its subsidiaries.
