

Russell/Nomura Japan Equity Indexes

EQUITY QUANTITATIVE RESEARCH

NOMURA
EQUITY RESEARCH

Performance summary: October 2012

November 2, 2012

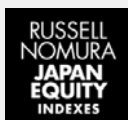


Fig. 1: Russell/Nomura Japan Equity Indexes performance summary

Total returns (including dividends, as of end-October 2012)

| Index | No. of stocks | Weight (%) | Index value | Returns (%) * | | | | |
|-------------------|---------------|------------|-------------|---------------|----------|----------|-----------|-------|
| | | | | 1 month | 3 months | 6 months | 12 months | YTD |
| Total Market | 1,387 | 100.00 | 247.16 | 0.73 | 2.04 | -6.63 | -0.71 | 3.99 |
| Value | 1,035 | 47.11 | 529.48 | 0.69 | 1.71 | -8.91 | -3.21 | 1.38 |
| Growth | 715 | 52.89 | 103.18 | 0.76 | 2.33 | -4.49 | 1.64 | 6.43 |
| Large | 348 | 86.10 | 236.57 | 0.82 | 2.06 | -6.73 | -1.21 | 3.93 |
| Large Value | 211 | 38.17 | 492.25 | 0.95 | 1.98 | -9.06 | -4.05 | 1.30 |
| Large Growth | 244 | 47.93 | 107.31 | 0.71 | 2.12 | -4.79 | 1.19 | 6.13 |
| Top | 60 | 49.84 | 195.68 | 0.43 | 1.66 | -6.33 | 0.17 | 6.01 |
| Top Value | 38 | 23.08 | 449.75 | 0.46 | 1.66 | -7.66 | -0.86 | 5.20 |
| Top Growth | 44 | 26.77 | 92.91 | 0.41 | 1.66 | -5.16 | 1.02 | 6.70 |
| Mid | 288 | 36.26 | 320.73 | 1.35 | 2.61 | -7.27 | -3.03 | 1.21 |
| Mid Value | 173 | 15.09 | 508.85 | 1.70 | 2.47 | -11.11 | -8.59 | -4.14 |
| Mid Growth | 200 | 21.17 | 150.87 | 1.10 | 2.70 | -4.32 | 1.45 | 5.42 |
| Mid-Small | 1,327 | 50.16 | 320.07 | 1.02 | 2.41 | -6.92 | -1.58 | 2.07 |
| Mid-Small Value | 997 | 24.03 | 553.11 | 0.91 | 1.76 | -10.09 | -5.49 | -2.04 |
| Mid-Small Growth | 671 | 26.12 | 134.76 | 1.12 | 3.02 | -3.80 | 2.32 | 6.16 |
| Small | 1,039 | 13.90 | 313.46 | 0.17 | 1.91 | -5.99 | 1.96 | 4.35 |
| Small Value | 824 | 8.94 | 595.20 | -0.39 | 0.59 | -8.30 | -0.22 | 1.72 |
| Small Growth | 471 | 4.95 | 110.97 | 1.19 | 4.37 | -1.52 | 6.03 | 9.44 |
| Small Core | 347 | 8.90 | 102.64 | 0.30 | 2.70 | -5.23 | 1.35 | 3.74 |
| Small Core Value | 275 | 5.49 | 147.67 | -0.27 | 1.25 | -8.33 | -1.97 | -0.21 |
| Small Core Growth | 184 | 3.41 | 40.50 | 1.23 | 5.12 | 0.19 | 7.08 | 10.75 |
| Micro | 692 | 5.00 | 117.57 | -0.07 | 0.53 | -7.31 | 3.05 | 5.46 |
| Micro Value | 549 | 3.46 | 155.97 | -0.59 | -0.44 | -8.25 | 2.70 | 4.94 |
| Micro Growth | 287 | 1.54 | 44.13 | 1.10 | 2.75 | -5.13 | 4.00 | 6.63 |
| Prime | 990 | 97.93 | 693.51 | 0.74 | 2.06 | -6.61 | -0.84 | 3.92 |
| Prime Value | 722 | 45.68 | 867.95 | 0.73 | 1.78 | -8.91 | -3.45 | 1.24 |
| Prime Growth | 556 | 52.25 | 517.88 | 0.74 | 2.31 | -4.50 | 1.58 | 6.39 |

Note: * Returns are not annualized.

Source: Nomura

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See Appendix A-1 for analyst certification, important disclosures and the status of non-US analysts.

What are the Russell/Nomura Japan Equity Indexes?

The Russell/Nomura Japan Equity Indexes are Japanese equity indexes developed jointly by US-based Russell Investments and the Quantitative 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.

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Russell Investments is an independent, global financial services firm that provides strategic advice, investment solutions, implementation services and global performance benchmarks that are customized to meet the unique needs of institutional investors, financial advisors and individuals.

Russell has pioneered innovations that have come to define many practices that are standard in the investment world today, and has four decades of experience researching and selecting money managers globally.

Founded in 1936, Russell is headquartered in Seattle, Washington, USA and has offices in Amsterdam, Auckland, Chicago, London, Melbourne, Milan, New York, Paris, San Francisco, Seoul, Singapore, Sydney, Tokyo and Toronto. For more information about how Russell helps to improve financial security for people, visit www.russell.com.

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

Price returns (excluding dividends, as of end-October 2012)

| Index | No. of stocks | Weight (%) | Index value | Returns (%) * | | | | |
|-------------------|---------------|------------|-------------|---------------|----------|----------|-----------|-------|
| | | | | 1 month | 3 months | 6 months | 12 months | YTD |
| Total Market | 1,387 | 100.00 | 166.55 | 0.72 | 0.94 | -7.73 | -3.08 | 1.61 |
| Value | 1,035 | 47.11 | 342.91 | 0.69 | 0.49 | -10.04 | -5.63 | -1.12 |
| Growth | 715 | 52.89 | 72.35 | 0.74 | 1.34 | -5.56 | -0.66 | 4.18 |
| Large | 348 | 86.10 | 159.15 | 0.81 | 0.91 | -7.86 | -3.60 | 1.51 |
| Large Value | 211 | 38.17 | 318.60 | 0.95 | 0.67 | -10.23 | -6.51 | -1.27 |
| Large Growth | 244 | 47.93 | 74.86 | 0.70 | 1.11 | -5.89 | -1.13 | 3.85 |
| Top | 60 | 49.84 | 129.36 | 0.43 | 0.31 | -7.66 | -2.54 | 3.24 |
| Top Value | 38 | 23.08 | 288.57 | 0.47 | 0.11 | -9.04 | -3.67 | 2.25 |
| Top Growth | 44 | 26.77 | 62.98 | 0.40 | 0.48 | -6.44 | -1.60 | 4.11 |
| Mid | 288 | 36.26 | 220.34 | 1.35 | 1.75 | -8.13 | -4.98 | -0.74 |
| Mid Value | 173 | 15.09 | 333.82 | 1.71 | 1.54 | -11.97 | -10.55 | -6.17 |
| Mid Growth | 200 | 21.17 | 109.34 | 1.09 | 1.90 | -5.18 | -0.49 | 3.53 |
| Mid-Small | 1,327 | 50.16 | 218.81 | 1.01 | 1.56 | -7.79 | -3.61 | 0.06 |
| Mid-Small Value | 997 | 24.03 | 361.54 | 0.91 | 0.85 | -10.97 | -7.55 | -4.13 |
| Mid-Small Growth | 671 | 26.12 | 97.67 | 1.10 | 2.23 | -4.65 | 0.35 | 4.25 |
| Small | 1,039 | 13.90 | 211.43 | 0.15 | 1.08 | -6.88 | -0.24 | 2.22 |
| Small Value | 824 | 8.94 | 386.00 | -0.40 | -0.30 | -9.22 | -2.47 | -0.49 |
| Small Growth | 471 | 4.95 | 80.41 | 1.15 | 3.66 | -2.35 | 3.93 | 7.47 |
| Small Core | 347 | 8.90 | 85.19 | 0.28 | 1.86 | -6.11 | -0.80 | 1.64 |
| Small Core Value | 275 | 5.49 | 120.77 | -0.27 | 0.37 | -9.23 | -4.11 | -2.32 |
| Small Core Growth | 184 | 3.41 | 34.77 | 1.17 | 4.35 | -0.66 | 4.90 | 8.69 |
| Micro | 692 | 5.00 | 96.20 | -0.09 | -0.29 | -8.21 | 0.76 | 3.26 |
| Micro Value | 549 | 3.46 | 125.44 | -0.61 | -1.34 | -9.21 | 0.25 | 2.56 |
| Micro Growth | 287 | 1.54 | 38.14 | 1.10 | 2.16 | -5.91 | 2.05 | 4.85 |
| Prime | 990 | 97.93 | 559.69 | 0.73 | 0.96 | -7.71 | -3.21 | 1.54 |
| Prime Value | 722 | 45.68 | 686.72 | 0.73 | 0.55 | -10.04 | -5.87 | -1.26 |
| Prime Growth | 556 | 52.25 | 425.89 | 0.73 | 1.32 | -5.58 | -0.73 | 4.13 |

Note: * Returns are not annualized.

Source: Nomura

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

Total returns (including dividends, as of end-October 2012)

| Index | No. of stocks | Weight (%) | Index value | Returns (%) * | | | | |
|-------------------|---------------|------------|-------------|---------------|----------|----------|-----------|-------|
| | | | | 1 month | 3 months | 6 months | 12 months | YTD |
| Total Market | 1,387 | 100.00 | 247.16 | 0.73 | 2.04 | -6.63 | -0.71 | 3.99 |
| Value | 1,035 | 47.11 | 529.48 | 0.69 | 1.71 | -8.91 | -3.21 | 1.38 |
| Growth | 715 | 52.89 | 103.18 | 0.76 | 2.33 | -4.49 | 1.64 | 6.43 |
| Large | 348 | 86.10 | 236.57 | 0.82 | 2.06 | -6.73 | -1.21 | 3.93 |
| Large Value | 211 | 38.17 | 492.25 | 0.95 | 1.98 | -9.06 | -4.05 | 1.30 |
| Large Growth | 244 | 47.93 | 107.31 | 0.71 | 2.12 | -4.79 | 1.19 | 6.13 |
| Top | 60 | 49.84 | 195.68 | 0.43 | 1.66 | -6.33 | 0.17 | 6.01 |
| Top Value | 38 | 23.08 | 449.75 | 0.46 | 1.66 | -7.66 | -0.86 | 5.20 |
| Top Growth | 44 | 26.77 | 92.91 | 0.41 | 1.66 | -5.16 | 1.02 | 6.70 |
| Mid | 288 | 36.26 | 320.73 | 1.35 | 2.61 | -7.27 | -3.03 | 1.21 |
| Mid Value | 173 | 15.09 | 508.85 | 1.70 | 2.47 | -11.11 | -8.59 | -4.14 |
| Mid Growth | 200 | 21.17 | 150.87 | 1.10 | 2.70 | -4.32 | 1.45 | 5.42 |
| Mid-Small | 1,327 | 50.16 | 320.07 | 1.02 | 2.41 | -6.92 | -1.58 | 2.07 |
| Mid-Small Value | 997 | 24.03 | 553.11 | 0.91 | 1.76 | -10.09 | -5.49 | -2.04 |
| Mid-Small Growth | 671 | 26.12 | 134.76 | 1.12 | 3.02 | -3.80 | 2.32 | 6.16 |
| Small | 1,039 | 13.90 | 313.46 | 0.17 | 1.91 | -5.99 | 1.96 | 4.35 |
| Small Value | 824 | 8.94 | 595.20 | -0.39 | 0.59 | -8.30 | -0.22 | 1.72 |
| Small Growth | 471 | 4.95 | 110.97 | 1.19 | 4.37 | -1.52 | 6.03 | 9.44 |
| Small Core | 347 | 8.90 | 102.64 | 0.30 | 2.70 | -5.23 | 1.35 | 3.74 |
| Small Core Value | 275 | 5.49 | 147.67 | -0.27 | 1.25 | -8.33 | -1.97 | -0.21 |
| Small Core Growth | 184 | 3.41 | 40.50 | 1.23 | 5.12 | 0.19 | 7.08 | 10.75 |
| Micro | 692 | 5.00 | 117.57 | -0.07 | 0.53 | -7.31 | 3.05 | 5.46 |
| Micro Value | 549 | 3.46 | 155.97 | -0.59 | -0.44 | -8.25 | 2.70 | 4.94 |
| Micro Growth | 287 | 1.54 | 44.13 | 1.10 | 2.75 | -5.13 | 4.00 | 6.63 |
| Prime | 990 | 97.93 | 693.51 | 0.74 | 2.06 | -6.61 | -0.84 | 3.92 |
| Prime Value | 722 | 45.68 | 867.95 | 0.73 | 1.78 | -8.91 | -3.45 | 1.24 |
| Prime Growth | 556 | 52.25 | 517.88 | 0.74 | 2.31 | -4.50 | 1.58 | 6.39 |

Note: * Returns are not annualized.

Source: Nomura

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

Number of stocks and weighting (as of end-October 2012)

| | 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 | 1,387 | 100.00 | 1,035 | 100.00 | 715 | 100.00 | 1,039 | 100.00 | 990 | 100.00 |
| 1 | Fishery, agriculture & forestry | 5 | 0.09 | 1 | 0.04 | 4 | 0.14 | 5 | 0.65 | 5 | 0.09 |
| 2 | Mining | 6 | 0.53 | 6 | 0.98 | 2 | 0.14 | 4 | 0.20 | 4 | 0.54 |
| 3 | Construction | 68 | 2.58 | 58 | 2.99 | 25 | 2.21 | 58 | 5.68 | 45 | 2.49 |
| 4 | Foods | 63 | 4.06 | 52 | 2.20 | 39 | 5.71 | 48 | 5.42 | 45 | 4.04 |
| 5 | Textiles & apparel | 24 | 0.79 | 21 | 0.78 | 11 | 0.81 | 21 | 2.27 | 18 | 0.77 |
| 6 | Pulp & paper | 11 | 0.26 | 10 | 0.42 | 4 | 0.12 | 8 | 0.67 | 8 | 0.26 |
| 7 | Chemicals | 115 | 5.95 | 86 | 4.12 | 60 | 7.58 | 82 | 6.53 | 76 | 5.89 |
| 8 | Pharmaceuticals | 37 | 5.52 | 17 | 1.16 | 32 | 9.40 | 21 | 2.77 | 29 | 5.59 |
| 9 | Oil & coal products | 9 | 0.82 | 8 | 1.51 | 1 | 0.21 | 4 | 0.14 | 7 | 0.83 |
| 10 | Rubber products | 10 | 0.86 | 9 | 0.38 | 4 | 1.29 | 7 | 0.58 | 9 | 0.88 |
| 11 | Glass & ceramics products | 21 | 0.97 | 17 | 0.84 | 13 | 1.09 | 13 | 1.02 | 18 | 0.98 |
| 12 | Iron & steel | 27 | 1.35 | 26 | 2.32 | 4 | 0.48 | 22 | 1.96 | 19 | 1.34 |
| 13 | Nonferrous metals | 20 | 1.15 | 16 | 1.98 | 10 | 0.41 | 14 | 1.40 | 19 | 1.17 |
| 14 | Metal products | 24 | 0.70 | 23 | 0.96 | 6 | 0.48 | 20 | 1.62 | 17 | 0.69 |
| 15 | Machinery | 95 | 4.70 | 73 | 2.87 | 60 | 6.33 | 73 | 6.38 | 68 | 4.67 |
| 16 | Electric appliances | 133 | 12.64 | 97 | 7.40 | 74 | 17.30 | 91 | 6.78 | 98 | 12.74 |
| 17 | Transportation equipment | 59 | 9.54 | 47 | 12.35 | 36 | 7.05 | 42 | 4.52 | 46 | 9.68 |
| 18 | Precision instruments | 21 | 1.43 | 11 | 0.25 | 16 | 2.48 | 15 | 1.38 | 16 | 1.44 |
| 19 | Other products | 33 | 1.52 | 27 | 1.26 | 16 | 1.75 | 27 | 2.48 | 24 | 1.51 |
| 20 | Electric power & gas | 18 | 2.36 | 16 | 3.46 | 5 | 1.38 | 5 | 0.47 | 16 | 2.40 |
| 21 | Land transportation | 34 | 4.53 | 20 | 3.07 | 24 | 5.83 | 16 | 1.64 | 26 | 4.57 |
| 22 | Marine transportation | 7 | 0.27 | 7 | 0.57 | 1 | 0.00 | 4 | 0.13 | 5 | 0.27 |
| 23 | Air transportation | 2 | 0.29 | 0 | 0.00 | 2 | 0.54 | 1 | 0.05 | 2 | 0.29 |
| 24 | Warehousing & harbor transportation services | 12 | 0.24 | 12 | 0.45 | 2 | 0.05 | 10 | 0.67 | 7 | 0.22 |
| 25 | Information & communications | 83 | 6.94 | 45 | 5.02 | 55 | 8.65 | 65 | 6.53 | 55 | 6.95 |
| 26 | Wholesale trade | 101 | 5.39 | 91 | 9.09 | 36 | 2.09 | 87 | 6.65 | 54 | 5.23 |
| 27 | Retail trade | 123 | 4.70 | 70 | 3.20 | 85 | 6.03 | 107 | 11.70 | 83 | 4.55 |
| 28 | Banks | 88 | 9.78 | 87 | 20.56 | 4 | 0.18 | 63 | 8.97 | 77 | 9.93 |
| 29 | Securities & commodity futures | 16 | 1.12 | 13 | 2.28 | 6 | 0.09 | 13 | 1.26 | 11 | 1.12 |
| 30 | Insurance | 6 | 2.42 | 4 | 3.63 | 4 | 1.34 | 0 | 0.00 | 6 | 2.47 |
| 31 | Other financing business | 15 | 1.04 | 13 | 1.97 | 5 | 0.22 | 10 | 1.66 | 15 | 1.07 |
| 32 | Real estate | 31 | 2.88 | 23 | 1.18 | 16 | 4.39 | 24 | 2.84 | 21 | 2.88 |
| 33 | Services | 70 | 2.57 | 29 | 0.71 | 53 | 4.23 | 59 | 4.98 | 41 | 2.46 |

Source: Nomura

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

Monthly returns (as of end-October 2012)

(%)

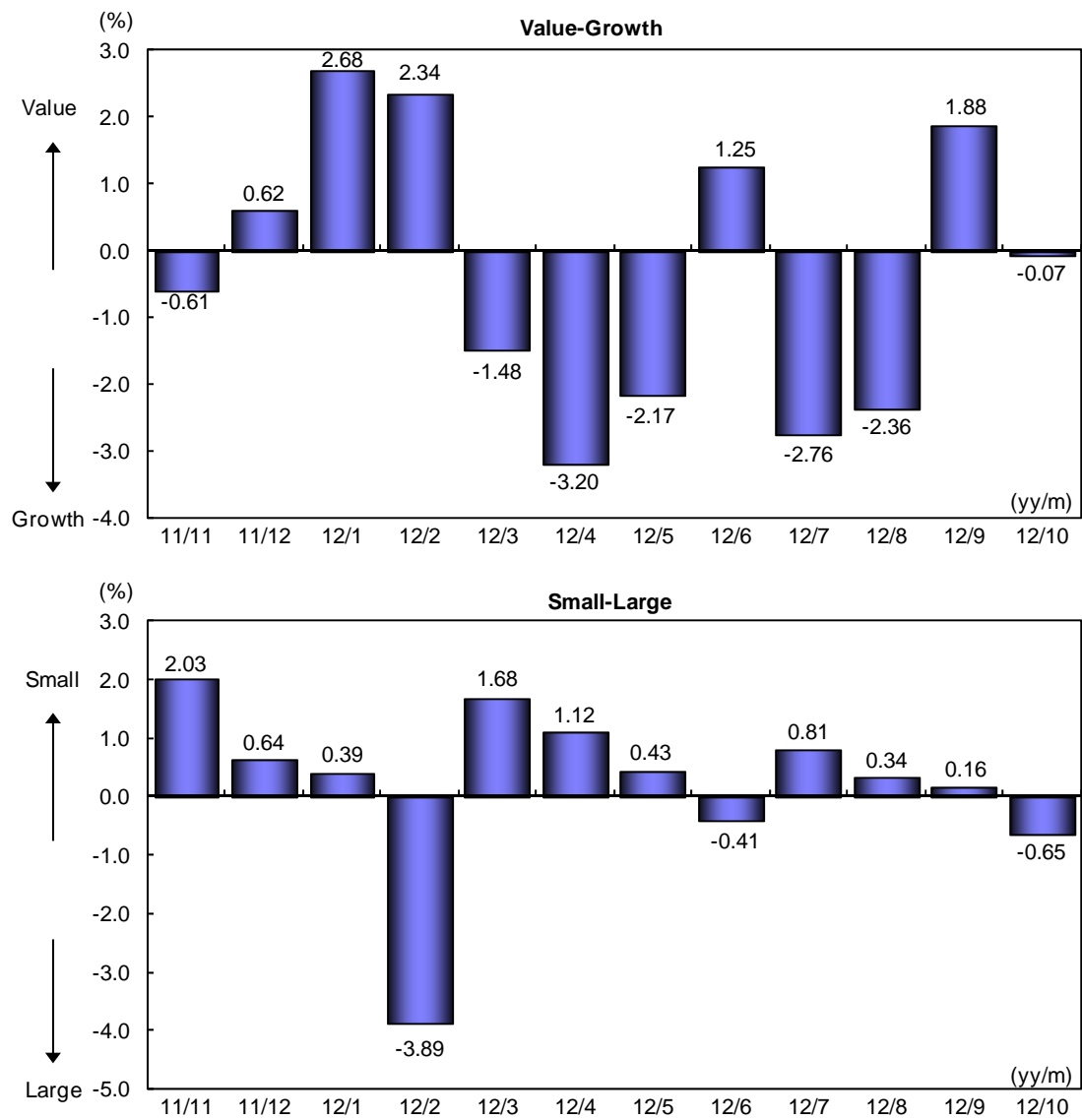
| Index | Total Market | | Value | | Growth | | Small | | Prime | |
|---|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|
| | ex dividends | incl dividends | ex dividends | incl dividends | ex dividends | incl dividends | ex dividends | incl dividends | ex dividends | incl dividends |
| Overall | 0.72 | 0.73 | 0.69 | 0.69 | 0.74 | 0.76 | 0.15 | 0.17 | 0.73 | 0.74 |
| 1 Fishery, agriculture & forestry | 1.32 | 1.32 | -1.24 | -1.24 | 1.95 | 1.95 | 1.32 | 1.32 | 1.32 | 1.32 |
| 2 Mining | -2.24 | -2.24 | -2.30 | -2.30 | -1.89 | -1.89 | 1.35 | 1.35 | -2.32 | -2.32 |
| 3 Construction | 2.40 | 2.40 | 1.60 | 1.60 | 3.38 | 3.38 | -0.70 | -0.70 | 2.50 | 2.50 |
| 4 Foods | -3.08 | -3.00 | -1.90 | -1.89 | -3.48 | -3.38 | -0.58 | -0.49 | -3.17 | -3.10 |
| 5 Textiles & apparel | -1.19 | -1.19 | -3.37 | -3.37 | 0.78 | 0.78 | -2.87 | -2.87 | -1.53 | -1.53 |
| 6 Pulp & paper | -1.33 | -1.33 | -1.11 | -1.11 | -2.01 | -2.01 | -0.66 | -0.66 | -1.46 | -1.46 |
| 7 Chemicals | 1.69 | 1.69 | 2.66 | 2.67 | 1.23 | 1.23 | 0.45 | 0.47 | 1.81 | 1.81 |
| 8 Pharmaceuticals | 0.46 | 0.46 | -1.65 | -1.65 | 0.70 | 0.70 | -2.16 | -2.16 | 0.45 | 0.45 |
| 9 Oil & coal products | 1.46 | 1.46 | 0.66 | 0.66 | 6.94 | 6.94 | 0.56 | 0.56 | 1.52 | 1.52 |
| 10 Rubber products | 1.50 | 1.50 | -1.66 | -1.66 | 2.36 | 2.36 | -3.94 | -3.94 | 1.53 | 1.53 |
| 11 Glass & ceramics products | 1.07 | 1.07 | 1.20 | 1.20 | 0.98 | 0.98 | -1.25 | -1.26 | 1.12 | 1.12 |
| 12 Iron & steel | 5.62 | 5.61 | 5.32 | 5.32 | 6.94 | 6.93 | -6.64 | -6.66 | 5.97 | 5.97 |
| 13 Nonferrous metals | 2.00 | 1.98 | 1.88 | 1.86 | 2.49 | 2.49 | -2.12 | -2.23 | 2.04 | 2.02 |
| 14 Metal products | -2.02 | -2.02 | -0.73 | -0.73 | -4.24 | -4.24 | 2.68 | 2.68 | -2.04 | -2.04 |
| 15 Machinery | 2.85 | 2.84 | 0.63 | 0.61 | 3.78 | 3.77 | -0.63 | -0.68 | 2.98 | 2.96 |
| 16 Electric appliances | 2.22 | 2.22 | 1.14 | 1.10 | 2.64 | 2.66 | -0.21 | -0.21 | 2.26 | 2.27 |
| 17 Transportation equipment | 2.23 | 2.22 | 2.19 | 2.18 | 2.30 | 2.30 | 3.62 | 3.65 | 2.24 | 2.23 |
| 18 Precision instruments | -3.29 | -3.26 | 2.00 | 2.00 | -3.74 | -3.71 | 0.90 | 0.90 | -3.33 | -3.30 |
| 19 Other products | 1.90 | 1.90 | 0.40 | 0.40 | 2.88 | 2.88 | -1.04 | -1.04 | 1.97 | 1.97 |
| 20 Electric power & gas | -6.33 | -6.33 | -7.72 | -7.72 | -3.08 | -3.08 | -4.72 | -4.72 | -6.33 | -6.33 |
| 21 Land transportation | 2.75 | 2.80 | 3.04 | 3.10 | 2.62 | 2.66 | -4.32 | -4.30 | 2.80 | 2.85 |
| 22 Marine transportation | 6.06 | 6.06 | 6.07 | 6.07 | 3.28 | 3.28 | -7.02 | -7.02 | 6.10 | 6.10 |
| 23 Air transportation | 3.20 | 3.20 | - | - | 3.20 | 3.20 | 9.28 | 9.28 | 3.20 | 3.20 |
| 24 Warehousing & harbor transportation services | 0.14 | 0.14 | 1.25 | 1.25 | -8.69 | -8.69 | -6.08 | -6.08 | 0.44 | 0.44 |
| 25 Information & communications | -4.47 | -4.46 | -1.65 | -1.65 | -5.86 | -5.86 | 2.54 | 2.54 | -4.60 | -4.60 |
| 26 Wholesale trade | 1.07 | 1.06 | 0.95 | 0.94 | 1.56 | 1.55 | 0.17 | 0.16 | 1.22 | 1.21 |
| 27 Retail trade | 0.09 | 0.11 | -0.48 | -0.43 | 0.36 | 0.36 | 1.19 | 1.24 | 0.02 | 0.03 |
| 28 Banks | -0.15 | -0.15 | -0.14 | -0.14 | -0.91 | -0.91 | -2.41 | -2.41 | -0.16 | -0.16 |
| 29 Securities & commodity futures | 5.49 | 5.29 | 5.47 | 5.28 | 5.87 | 5.64 | 8.35 | 8.29 | 5.42 | 5.22 |
| 30 Insurance | 2.84 | 2.84 | 2.15 | 2.15 | 4.53 | 4.53 | - | - | 2.84 | 2.84 |
| 31 Other financing business | 3.56 | 3.56 | 3.92 | 3.92 | 0.87 | 0.87 | 11.67 | 11.67 | 3.56 | 3.56 |
| 32 Real estate | 5.18 | 5.24 | 4.43 | 4.45 | 5.36 | 5.43 | 4.84 | 5.25 | 5.25 | 5.30 |
| 33 Services | -1.37 | -1.34 | 0.34 | 0.38 | -1.62 | -1.60 | 0.77 | 0.83 | -1.68 | -1.65 |

Note: * Returns are not annualized.

Source: Nomura

Fig. 6: Monthly performance

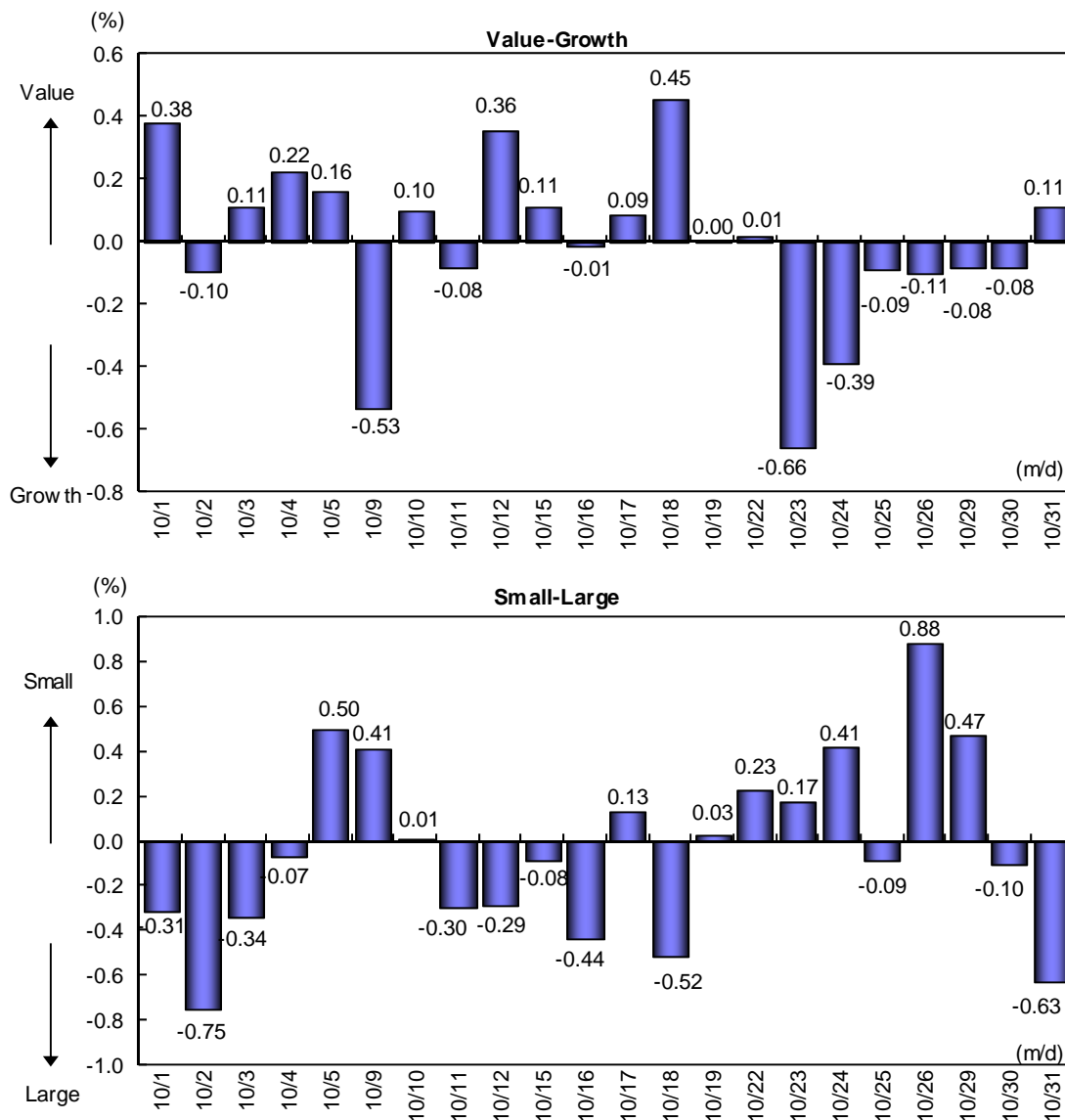
Style: total returns



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

Style: 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

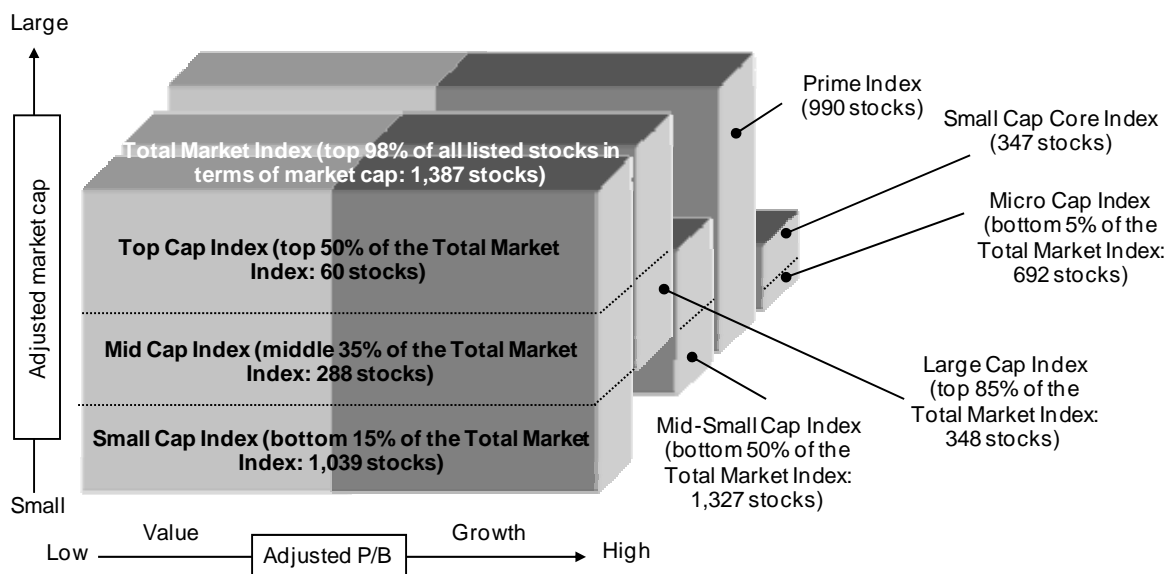
Key indicators (as of end-October 2012)

| Index | P/E (x) | P/B (x) | Dividend yield (%) | ROE (%) | Rec profit growth (%) |
|-------------------|------------|------------|-----------------------|------------|--------------------------|
| Total Market | 13.43 | 0.87 | 2.62 | 6.62 | 7.42 |
| Value | 12.75 | 0.63 | 2.85 | 5.04 | 12.11 |
| Growth | 14.10 | 1.30 | 2.42 | 9.55 | 3.00 |
| Large | 13.57 | 0.91 | 2.66 | 6.82 | 7.79 |
| Large Value | 12.90 | 0.65 | 2.93 | 5.15 | 14.52 |
| Large Growth | 14.16 | 1.31 | 2.46 | 9.52 | 2.30 |
| Top | 11.82 | 0.89 | 2.98 | 7.74 | 10.12 |
| Top Value | 10.18 | 0.66 | 3.23 | 6.62 | 17.63 |
| Top Growth | 13.72 | 1.28 | 2.76 | 9.65 | 2.72 |
| Mid | 17.05 | 0.92 | 2.23 | 5.51 | 3.95 |
| Mid Value | 21.80 | 0.64 | 2.46 | 2.98 | 7.68 |
| Mid Growth | 14.76 | 1.34 | 2.06 | 9.35 | 1.76 |
| Mid-Small | 15.54 | 0.85 | 2.26 | 5.56 | 4.42 |
| Mid-Small Value | 16.84 | 0.61 | 2.47 | 3.66 | 5.67 |
| Mid-Small Growth | 14.50 | 1.33 | 2.06 | 9.46 | 3.30 |
| Small | 12.61 | 0.70 | 2.34 | 5.66 | 5.39 |
| Small Value | 12.17 | 0.56 | 2.50 | 4.66 | 3.41 |
| Small Growth | 13.49 | 1.29 | 2.03 | 9.91 | 9.68 |
| Small Core | 13.05 | 0.73 | 2.29 | 5.69 | 5.29 |
| Small Core Value | 13.09 | 0.57 | 2.43 | 4.44 | 2.69 |
| Small Core Growth | 12.98 | 1.28 | 2.07 | 10.28 | 9.93 |
| Micro | 11.90 | 0.65 | 2.41 | 5.61 | 5.55 |
| Micro Value | 10.95 | 0.54 | 2.62 | 4.98 | 4.39 |
| Micro Growth | 14.79 | 1.30 | 1.95 | 9.09 | 9.07 |
| Prime | 13.48 | 0.88 | 2.62 | 6.64 | 7.47 |
| Prime Value | 12.84 | 0.64 | 2.85 | 5.04 | 12.47 |
| Prime Growth | 14.10 | 1.30 | 2.42 | 9.54 | 2.89 |

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 31 October 2012.
 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-October 2012)

| Index | No. of stocks | Weight (%) | Index value | Returns (%) * | | | | |
|-------------------|---------------|------------|-------------|---------------|----------|----------|-----------|-------|
| | | | | 1 month | 3 months | 6 months | 12 months | YTD |
| Total Market | 1,387 | 100.00 | 501.16 | -2.00 | -0.90 | -6.55 | -4.20 | -1.14 |
| Value | 1,035 | 47.11 | 1,031.85 | -2.02 | -1.34 | -8.89 | -6.72 | -3.79 |
| Growth | 715 | 52.89 | 217.72 | -1.97 | -0.50 | -4.36 | -1.81 | 1.36 |
| Large | 348 | 86.10 | 478.90 | -1.91 | -0.92 | -6.69 | -4.71 | -1.23 |
| Large Value | 211 | 38.17 | 958.69 | -1.77 | -1.16 | -9.09 | -7.59 | -3.93 |
| Large Growth | 244 | 47.93 | 225.25 | -2.01 | -0.73 | -4.69 | -2.27 | 1.04 |
| Top | 60 | 49.84 | 389.25 | -2.28 | -1.51 | -6.49 | -3.67 | 0.45 |
| Top Value | 38 | 23.08 | 868.33 | -2.24 | -1.71 | -7.88 | -4.78 | -0.52 |
| Top Growth | 44 | 26.77 | 189.51 | -2.31 | -1.34 | -5.25 | -2.73 | 1.30 |
| Mid | 288 | 36.26 | 663.01 | -1.39 | -0.10 | -6.96 | -6.08 | -3.43 |
| Mid Value | 173 | 15.09 | 1,004.50 | -1.03 | -0.31 | -10.85 | -11.58 | -8.70 |
| Mid Growth | 200 | 21.17 | 329.00 | -1.64 | 0.05 | -3.97 | -1.64 | 0.73 |
| Mid-Small | 1,327 | 50.16 | 658.41 | -1.71 | -0.28 | -6.61 | -4.72 | -2.64 |
| Mid-Small Value | 997 | 24.03 | 1,087.92 | -1.81 | -0.99 | -9.84 | -8.62 | -6.72 |
| Mid-Small Growth | 671 | 26.12 | 293.89 | -1.63 | 0.37 | -3.44 | -0.81 | 1.44 |
| Small | 1,039 | 13.90 | 636.22 | -2.55 | -0.76 | -5.69 | -1.39 | -0.55 |
| Small Value | 824 | 8.94 | 1,161.50 | -3.09 | -2.11 | -8.06 | -3.60 | -3.18 |
| Small Growth | 471 | 4.95 | 241.96 | -1.58 | 1.77 | -1.11 | 2.73 | 4.57 |
| Small Core | 347 | 8.90 | 109.07 | -2.43 | 0.01 | -4.92 | -1.95 | -1.11 |
| Small Core Value | 275 | 5.49 | 154.62 | -2.96 | -1.46 | -8.07 | -5.22 | -4.96 |
| Small Core Growth | 184 | 3.41 | 44.51 | -1.56 | 2.45 | 0.61 | 3.69 | 5.75 |
| Micro | 692 | 5.00 | 123.17 | -2.78 | -2.10 | -7.05 | -0.40 | 0.46 |
| Micro Value | 549 | 3.46 | 160.61 | -3.29 | -3.13 | -8.05 | -0.90 | -0.21 |
| Micro Growth | 287 | 1.54 | 48.83 | -1.63 | 0.30 | -4.71 | 0.87 | 2.02 |
| Prime | 990 | 97.93 | 814.18 | -1.99 | -0.88 | -6.54 | -4.33 | -1.20 |
| Prime Value | 722 | 45.68 | 998.97 | -1.98 | -1.28 | -8.89 | -6.96 | -3.93 |
| Prime Growth | 556 | 52.25 | 619.54 | -1.99 | -0.52 | -4.38 | -1.88 | 1.32 |

Source: Nomura

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

Total returns (including dividends), US dollar basis (as of end-October 2012)

| Index | No. of stocks | Weight (%) | Index value | Returns (%) * | | | | |
|-------------------|---------------|------------|-------------|---------------|----------|----------|-----------|-------|
| | | | | 1 month | 3 months | 6 months | 12 months | YTD |
| Total Market | 1,387 | 100.00 | 743.73 | -1.99 | 0.18 | -5.44 | -1.86 | 1.18 |
| Value | 1,035 | 47.11 | 1,593.25 | -2.03 | -0.14 | -7.76 | -4.32 | -1.36 |
| Growth | 715 | 52.89 | 310.49 | -1.96 | 0.47 | -3.28 | 0.47 | 3.56 |
| Large | 348 | 86.10 | 711.86 | -1.90 | 0.20 | -5.55 | -2.35 | 1.12 |
| Large Value | 211 | 38.17 | 1,481.22 | -1.78 | 0.12 | -7.90 | -5.16 | -1.43 |
| Large Growth | 244 | 47.93 | 322.90 | -2.00 | 0.26 | -3.58 | 0.03 | 3.26 |
| Top | 60 | 49.84 | 588.81 | -2.28 | -0.19 | -5.14 | -0.98 | 3.14 |
| Top Value | 38 | 23.08 | 1,353.33 | -2.25 | -0.19 | -6.48 | -2.00 | 2.36 |
| Top Growth | 44 | 26.77 | 279.58 | -2.30 | -0.19 | -3.95 | -0.14 | 3.82 |
| Mid | 288 | 36.26 | 965.10 | -1.38 | 0.74 | -6.09 | -4.15 | -1.52 |
| Mid Value | 173 | 15.09 | 1,531.19 | -1.04 | 0.60 | -9.98 | -9.64 | -6.73 |
| Mid Growth | 200 | 21.17 | 453.98 | -1.63 | 0.84 | -3.10 | 0.28 | 2.57 |
| Mid-Small | 1,327 | 50.16 | 963.11 | -1.71 | 0.55 | -5.74 | -2.72 | -0.69 |
| Mid-Small Value | 997 | 24.03 | 1,664.37 | -1.81 | -0.09 | -8.95 | -6.58 | -4.69 |
| Mid-Small Growth | 671 | 26.12 | 405.50 | -1.61 | 1.14 | -2.58 | 1.14 | 3.29 |
| Small | 1,039 | 13.90 | 943.23 | -2.53 | 0.06 | -4.79 | 0.79 | 1.53 |
| Small Value | 824 | 8.94 | 1,791.00 | -3.08 | -1.24 | -7.13 | -1.37 | -1.03 |
| Small Growth | 471 | 4.95 | 333.93 | -1.54 | 2.47 | -0.27 | 4.81 | 6.49 |
| Small Core | 347 | 8.90 | 131.41 | -2.40 | 0.83 | -4.03 | 0.18 | 0.93 |
| Small Core Value | 275 | 5.49 | 189.06 | -2.96 | -0.59 | -7.17 | -3.10 | -2.91 |
| Small Core Growth | 184 | 3.41 | 51.85 | -1.50 | 3.21 | 1.46 | 5.84 | 7.76 |
| Micro | 692 | 5.00 | 150.53 | -2.77 | -1.30 | -6.13 | 1.86 | 2.61 |
| Micro Value | 549 | 3.46 | 199.70 | -3.27 | -2.25 | -7.09 | 1.51 | 2.11 |
| Micro Growth | 287 | 1.54 | 56.50 | -1.62 | 0.88 | -3.92 | 2.80 | 3.74 |
| Prime | 990 | 97.93 | 1,008.84 | -1.98 | 0.21 | -5.42 | -1.99 | 1.11 |
| Prime Value | 722 | 45.68 | 1,262.60 | -1.99 | -0.07 | -7.75 | -4.56 | -1.49 |
| Prime Growth | 556 | 52.25 | 753.35 | -1.97 | 0.45 | -3.29 | 0.40 | 3.51 |

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

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- Bloomberg (RNPJ <INDEX>)
- Jiji (RT14 or RNPF/2)
- QUICK (140)
- Reuters (.JRN)
- Our website (<http://qr.nomura.co.jp/en/frcnri/index.html>)

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- Reuters (.JRNSC)

More detailed data

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For information, contact:

Nomura Research Institute
Investment Information Systems Business Department
+81-45-277-9260
e-mail: ids-sales@nri.co.jp

Rule book:

Russell/Nomura Japan Equity Indexes rulebook

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Appendix A-1

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STOCKS

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SECTORS

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Explanation of Nomura's equity research rating system in Japan and Asia ex-Japan

STOCKS

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Transactions involving foreign equities are subject to a domestic sales commission of up to 0.9975% (tax included) 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 ¥7,455 tax included). 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 1.365% (tax included) of the transaction amount (or a commission of ¥2,730 (tax included) 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 1.05% (tax included) of the transaction amount (or a commission of ¥4,200 (tax included) if this would be less than ¥4,200). 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 0.8 will be used through 9 January 2013, and an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used starting on 10 January 2013, (2) for 5-year and 3-year fixed rate bonds, an amount equal to the two preceding coupon payments (before tax) x 0.8 will be used through 9 January 2013, and an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used starting on 10 January 2013.

Purchases of investment trusts (and sales of some investment trusts) are subject to a purchase or sales fee of up to 5.25% (tax included) 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 5.25% (tax included, 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.

An annual account maintenance fee of up to ¥1,575 (tax included) is charged for any account held with Nomura Securities containing equities or investment securities. An additional annual account maintenance fee of up to ¥3,150 (tax included) is charged for any account containing foreign securities. No account fee will be charged for other 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 ¥10,500 (tax included) per issue transferred depending on volume.

Nomura Securities Co., Ltd.

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