

1320

FEATURE OF FUND

This fund aims to track the performance of Nikkei Average

FUND PROFILE (as of Dec 30, 2011)

| | |
|-----------------------|-------------|
| NAV (per 1 unit) | ¥8,556 |
| Total Net Asset | ¥253.1 bil. |
| Total No. of Holdings | 226 |

| | |
|----------------|---------------------------|
| Ticker Code | 1320 |
| Stock Exchange | Osaka Securities Exchange |
| Board Lot Size | 10 units |

Inception Date July 9, 2001

Listing Date July 13, 2001

Trust Fee See back for details.

Financial Disclosure Once-yearly
Dividend Date July 10th

Term of Trust Infinite

Investment Manager Daiwa Asset Management Co. Ltd.

Trustee The Sumitomo Trust & Banking Co., Ltd.

Performance (as of Dec 30, 2011)

| | 1month | 3months | 6months | 1year | 3years | 5years |
|----------------|--------|---------|---------|---------|--------|---------|
| FUND | +0.4 % | -2.7 % | -13.1 % | -15.8 % | +0.2 % | -47.1 % |
| Nikkei Average | +0.2 % | -2.8 % | -13.9 % | -17.3 % | -4.6 % | -50.9 % |



| Dividend Record | | | | | | | |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|
| Settlement Term | Jul-05 | Jul-06 | Jul-07 | Jul-08 | Jul-09 | Jul-10 | Jul-11 |
| Dividend (per 1 unit) | 69.5 | 79.7 | 108.1 | 218.5 | 242.1 | 117.6 | 148.0 |
| NAV (JPY) | 11620 | 15675 | 18453 | 13169 | 9276 | 9582 | 10165 |

Total dividend since inception: ¥1,155.0

Portfolio Allocation (as of Dec 30, 2011)

| Asset Allocation | | Weight |
|-----------------------------|---------------------|--------------|
| Common Stock | | 99.6% |
| Stock Futures | | 0.4% |
| REITs, Preferred Securities | | 0.0% |
| Call Loan, Others | | 0.4% |
| Sector Allocation | | Weight |
| 1 | Electric Appliances | 20.6% |
| 2 | Retail Trade | 9.5% |
| 3 | Communication | 9.3% |
| 4 | Pharmaceutical | 7.2% |
| 5 | Chemicals | 6.7% |
| Total | | 53.2% |

Portfolio Holdings (as of Dec 30, 2011)

| TOP 20 Holdings | | | Weight |
|-----------------|------|-----------------------|---------------|
| 1 | 9983 | FAST RETAILING | 6.6038% |
| 2 | 6954 | FANUC | 5.5566% |
| 3 | 9984 | SOFTBANK | 3.2080% |
| 4 | 6971 | KYOCERA | 2.9198% |
| 5 | 7751 | CANON | 2.4127% |
| 6 | 9433 | KDDI | 2.3349% |
| 7 | 7267 | HONDA MOTOR | 2.2151% |
| 8 | 8035 | TOKYO ELECTRON | 1.8467% |
| 9 | 4063 | SHIN-ETSU CHEMICAL | 1.7877% |
| 10 | 4543 | TERUMO | 1.7099% |
| 11 | 9735 | SECOM | 1.6745% |
| 12 | 6762 | TDK | 1.6085% |
| 13 | 4502 | TAKEDA PHARMACEUTICAL | 1.5943% |
| 14 | 4523 | EISAI | 1.5024% |
| 15 | 4503 | ASTELLAS PHARMA | 1.4764% |
| 16 | 7203 | TOYOTA MOTOR | 1.2099% |
| 17 | 9613 | NTT DATA | 1.1594% |
| 18 | 4324 | DENTSU | 1.1080% |
| 19 | 9766 | KONAMI | 1.0873% |
| 20 | 4704 | TREND MICRO | 1.0854% |
| Total | | | 44.10% |

- * Fund performance assumes that dividends (before taxes) being reinvested in the fund, and is different from actual rate of return to investors.
- * NAV value is calculated after deducting trust fees.
- * In the graph, the value of Nikkei Average index is modified to match the fund NAV at the time of inception.
- * Fund dividend is decided by the investment management company based on dividend policy. The amount of fund dividend is not guaranteed. Dividend amount of zero is possible.
- * Performance and data above are based on past information and neither guarantee or promise future performance.
- * In case there exists any open position of eligible futures for the fund, the total number of composition ratio by asset class is not shown.

Disclaimer: Warning before handling this material

This material was prepared by Daiwa Asset Management Co. Ltd. to provide information about its funds' performance and other operation-related facts. Potential investors should refer to and read the prospectus of such fund product for more detailed information prior to their investment decision. Since this fund will invest in stocks whose prices fluctuate, the NAV of this fund could possibly decline and cause a loss in investment. The principal thus is not guaranteed and the fund contains risk that the NAV may fall below its par value. All the gains and losses accrued to the trust assets will be attributable to the investors. Investment trusts are different from deposits and insurance policies. Investment trusts are not protected by the Deposit Insurance Corporation of Japan and insurance policyholders protection corporations. Investment trusts which are not purchased from securities companies are not protected by the Japan Investor Protection Fund. The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable, but their accuracy, correctness or completeness are not guaranteed. The performance of investments, if referred to herein, is based on past data and is neither necessarily an indication nor a guarantee of future performance of investments. Daiwa made all reasonable efforts to ensure that the information contained herein is current, but it is subject to change without notice. The dividend amount is to be determined, based on the dividend distribution policy of such fund product, by the investment manager, who will not promise or guarantee any fixed amount of dividend before investment. In some cases, the investment manager might decide to skip a dividend payment for the correspondent period due to performance reason.

Risk of the Fund

Since this fund primarily invests in stocks whose prices fluctuate, the NAV of this fund could possibly decline and cause a loss in investment, due to management uncertainty, corporate financial distress, bankruptcy, etc. The principal investment of investors thus is not guaranteed and the fund contains risk that the NAV may fall below its par value. All the gains and losses accrued to the trust assets will be attributable to the beneficiaries.

Most fluctuation factors that are expected to cause NAV changes include:

1. Stock Price Volatility (Price Volatility Risks, Credit Risks, etc.):

Stock price is changed based on the political and economic conditions, operating results of the issuer, market supply and demand, etc. The price of a stock may fall significantly for a short term or a long term (If the issuer becomes operationally distressed and bankrupt, no invested fund might be returned). If the stock price of the portfolio falls, the base value may fall and the amount of principal may fall below the amount invested.

2. Miscellaneous (Credit Risks for money market instruments, etc.):

Please read the details concerning the risks including the above, which are described under the "Investment Risks" in the fund's Prospectus.

Fee Structure

<Fees directly charged to customers>

- ◆ Subscription commission: This is set independently by the distributing company.
- ◆ Redemption Fee: Nil
- ◆ Exchange commission: This is set independently by the distributing company.

<Fees indirectly charged during holding period>

◆ Management Fee (Trust Fee):

Trust fee is calculated as sum of 1 and 2 as shown below during the holding period.

1. Percentage of total net assets: Up to 0.168% per annum (0.16% before tax) [As of record date for this sheet, the percentage is 0.168% (0.16% before tax)].
2. Up to 52.5% (50.0% before tax) of lending charges due to lending of stocks held in trust asset.

◆ Fund Listing Expenses and Annual Fees for Use of Nikkei Average Trademarks with tax levy on them can be charged.

Percentage of the total charges is not more than 0.063% (0.06% before taxes) of the Fund's total net assets.

As of record date for this sheet, Annual Fees for Use of Trademarks is not more than 0.02625% (0.025% before tax) of the Fund's total net assets.

◆ Auditing fee and commissions associated with securities transactions will be charged.

(Other expenses shall vary depending on management and other circumstances, rate of fees and their upper limits could not be informed in advance.)

※The amount of the charges above shall vary depending upon the holding period and may not be provided.

※Please see further details described under "Charges and Taxes" in the Prospectus.

Information about Nikkei Average and trademark of Nikkei Average

- (i) "Nikkei Average" is a copyrightable work calculated through such methodology as independently developed by Nikkei Inc., and Nikkei Inc. owns copyrights and any other intellectual property rights subsisting in "Nikkei Average" and the methodology to calculate "Nikkei Average".
- (ii) Nikkei Inc. owns any and all rights to trademarks and any other intellectual property rights to such marks referring to "Nikkei" or "Nikkei Average".
- (iii) Exchange-Traded Funds shall be managed under the responsibilities of the relevant investment trust management companies and other participants. Nikkei Inc. shall not be liable for management of Exchange-Traded Funds or any other transactions of beneficiary certificates.
- (iv) Nikkei Inc. shall not be obligated to publish continuously "Nikkei Average". Nikkei Inc. shall not be liable for any error, delay or discontinuance of publication of "Nikkei Average".
Nikkei Inc. shall have the rights to make any changes in composition of stocks, calculation method and any other elements or contents of "Nikkei Average". Nikkei Inc. shall also have the right to discontinue publishing "Nikkei Average".