

Japan Equity Value + Alpha

Data as of 31 March 2024

Product Description

Japan Equity Value + Alpha is a value style product which aims to generate the majority of its alpha from stock selection with a team-based investment approach founded on rigorous corporate research by experienced in-house analysts and portfolio managers.

Key Facts

Investment Style	Value
Strategy Inception Date	October 1996
Strategy Benchmark	TOPIX (with div)
Performance Target	2% - 3% p.a. above benchmark
Tracking Error	3% (in principle) – 7%
Maximum weight of single stock	Less than 10% of the investee company's total net asset value.
Sector Allocation	No restriction
Number of Holdings	120 Max
Strategy Size	USD 5,712 million
EU 2019/2088 SFDR Regs: Article 6	The strategy is categorised under SFDR as Article 6.
EU 2020/852 Taxonomy Regs: Article 7	The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
EU 2020/852 Taxonomy Regs: Article 6	The strategy does not apply a specific index as a reference index to attain environmental and social characteristics.

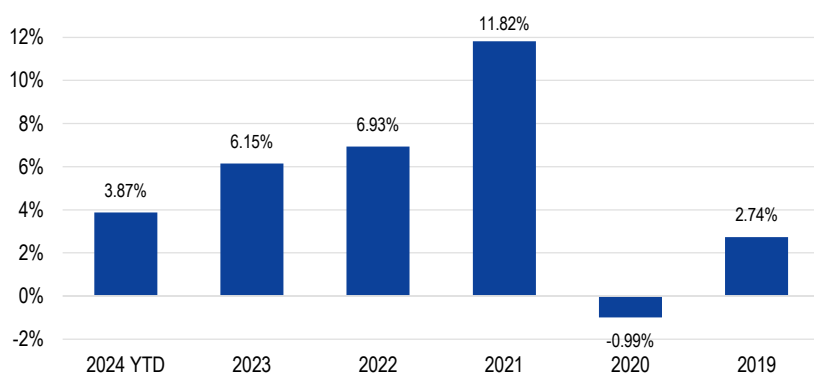
Composite Performance

JPY basis / Gross of Fees	1 month %	3 month %	1 year %	3 years % p.a.	5 years % p.a.	Since inception† % p.a.
Value + Alpha	5.31	22.01	55.16	23.54	21.02	6.00
TOPIX (with div)	4.44	18.14	41.34	15.11	14.43	3.71
Excess Return	0.88	3.87	13.82	8.43	6.59	2.29
Tracking Error*	N/A	N/A	3.29	3.73	3.66	3.13
Information Ratio	N/A	N/A	2.97	1.94	1.56	0.73
JPY basis / Gross of Fees	2024 YTD %	2023 %	2022 %	2021 %	2020 %	2019 %
Value + Alpha	22.01	34.41	4.48	24.56	6.40	20.86
TOPIX (with div)	18.14	28.26	-2.45	12.74	7.39	18.12
Excess Return	3.87	6.15	6.93	11.82	-0.99	2.74
Tracking Error*	N/A	1.16	1.28	0.68	4.07	2.33
Information Ratio	N/A	0.35	0.45	1.25	-0.24	1.18

Source: SMDAM data as at 31 March 2024. † Inception date: 1 October 1996. Benchmark: TOPIX (with div). Minor discrepancies due to rounding. * Tracking error is calculated using monthly returns.

Relative Performance

The chart reflects the relative returns of this composite on a calendar year basis and is shown in yen terms and gross of fees.



Lead Portfolio Manager

Shinichi SHIMONISHINOSONO

25 years industry experience

Sector Breakdown	%
Auto. & Transp. Equipment	16.87
Elec. Appl. & Precision Instr.	16.07
IT & Services, Others	14.28
Banks	13.61
Comm. & Wholesale Trade	6.02
Construction & Materials	5.63
Foods	3.78
Real Estate	3.75
Financials (Ex Banks)	3.65
Steel & Nonferrous Metals	3.65
Raw Materials & Chemicals	3.38
Machinery	3.34
Transportation & Logistics	2.26
Retail Trade	1.77
Energy Resources	1.42
Pharmaceutical	0.52
Electric Power & Gas	0.00
Total	100.00

Sector breakdown based on the TOPIX-17 Series Indices classification (detailing representative account). Source: SMDAM and FactSet Research Systems Inc. of the US, as at 31 March 2024.

Top Ten Holdings	%
Mitsubishi UFJ Financial Group	6.07
Toyota Motor Corp	5.20
Softbank Group Corp	4.28
Nippon Telegraph & Telephone	4.12
Toyota Industries Corp	3.81
TDK Corp	3.77
Fuji Electric Co Ltd	3.70
Mizuho Financial Group Inc	3.19
Suzuki Motor Corp	3.11
JFE Holdings Inc	2.91
Total	40.16

Data shown is for the representative segregated account. The organisations and/or financial instruments mentioned are for reference purposes only. The content of this material should not be construed as a recommendation for their purchase or sale.

Contact Details

For investors outside the EEA:

Daisuke ISHIHARA: +44 (0)20 7507 6436

Alex BARRY: +44 (0)20 7507 6419

Richard HAXE: +44 (0)20 7507 6431

Chloé CHOQUIN: +44 (0)20 7507 6424

Email: uksales@smd-am.co.jp

Sumitomo Mitsui DS Asset Management (UK) Limited
100 Liverpool Street, London, EC2M 2AT, United Kingdom.
www.smd-am.co.uk



Japan Equity Value + Alpha

DISCLAIMERS

This document is issued by Sumitomo Mitsui DS Asset Management (UK) Limited. Registered in England and Wales. Registered office 100 Liverpool Street, London, EC2M 2AT; registered number 1660184. Authorised and regulated by the Financial Conduct Authority.

This document is distributed to and is directed only at: (a) persons who have professional experience in matters relating to investments and falling within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"); (b) high-net-worth entities falling within article 49(2) of the Order; (c) certified sophisticated investors falling with article 50 of the Order; and (d) other persons to whom it may otherwise lawfully be communicated.

The information set out in this document is for information purposes only and is not intended to be investment advice, tax, financial or any other type of advice and is merely a brief summary of the main aspects of the strategy. The information is correct to the best of our knowledge at the date of issue. This document may not be copied, redistributed or reproduced in whole or in part without the prior written approval of Sumitomo Mitsui DS Asset Management (UK) Limited.

Risk warning: Past performance is not a reliable indicator of future performance and may not be repeated. An investment's value and the income deriving from it may fall, as well as rise, due to market fluctuations. Investors may not get back the amount originally invested. Performance is shown in Japanese Yen; the return may increase or decrease as a result of currency fluctuations. The strategy's performance shows gross of fees (after trading expenses and before the deduction of investment management fees) and total net returns (dividends, net of tax, have been reinvested in the portfolio). WM/Reuters 4pm exchange rates have been sourced from RIMES. Close-of-day stock mid-prices have been sourced from Bloomberg. Cash is included on a settlement-dated basis. The information contained in this document is to be used by the professional client that this document is issued to only. **Risk warning: This strategy is not available in the U.S., EEA or to EEA domiciled persons.**

Risk warning: On 1 January 2021 the UK left the EU transitional arrangements and no longer benefits from passporting rights into EEA countries.

This is a marketing communication. Please refer to the client's legal agreement before making any final investment decisions.

