



## **SUMITOMO MITSUI DS ASSET MANAGEMENT LAUNCHES JAPAN MID SMALL CAP VALUE UCITS FUND**

- Luxembourg-domiciled UCITS fund aims to deliver an attractive return versus the Benchmark by investing in undervalued Japanese companies using a fundamental approach, while also aiming to improve corporate value through engagement with portfolio companies;
- The Fund is categorised under the Sustainable Finance Disclosure Regulation as an Article 6 fund;
- The Fund utilises a proprietary PBR-ROE quantitative model and proprietary AI tool to narrow down the investment universe

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London – 10 October 2024,

One of the leading Japanese managers **Sumitomo Mitsui DS Asset Management** ('SMDAM') today announced the launch of its SMD-AM Japan Mid Small Cap Value UCITS Fund (the 'Fund'). The firm have run an identical strategy for Japanese investors since 2016, and have launched the fund in response to strong demand from investors in the UK and across Europe.

The Fund will be managed by Kazuhiro Bena, a Tokyo-based portfolio manager who joined the firm in 2006. He is a bottom-up stock picker who also uses AI as an integral part of the stock selection process. Additionally, Mr Bena and his team engage proactively with companies with the aim of improving shareholder returns - something that the Tokyo Stock Exchange has increasingly focused on and promoted.

Mr Bena, the lead portfolio manager since inception of the strategy in 2016, endeavours to exploit market inefficiencies and mispricing in addition to engaging with holdings to improve their corporate value. By focusing on price to book ratio and return on equity, Mr Bena aims to outperform traditional value strategies over the long term, as opposed to exploiting short term valuation anomalies. He said, "We are generating alpha through stock selection alone, and we believe that identifying undervalued mid-small stocks with potential positive changes in future ROE is the optimal investment approach."

"Over the last year we have seen strong demand for funds that invest in the Mid and Small Cap space in Japan. We are excited to bring this highly successful strategy to our clients in the UK and Europe and strongly believe that our local presence, expertise and experience will benefit our clients," said Richard Haxe, Managing Director of Sales and Marketing at SMDAM.

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**About Sumitomo Mitsui DS Asset Management (SMDAM):** is one of the largest investment management companies in Japan, offering discretionary investment management, investment trusts and advisory services to a range of institutional investors, pension funds, government agencies and retail investors worldwide. SMDAM has been managing active Japan equity mandates since its establishment in 1973. Since then, the firm has diversified its product offering, working across a broad range of asset classes including Japan Equity and Fixed Income, Asian Equity, Global Equity and currently managing USD 127 billion<sup>1</sup> For more information, please visit [www.smd-am.co.uk](http://www.smd-am.co.uk)

**About Kazuhiro BENA, CMA, lead Portfolio Manager of the SMDAM Japan Equity Small Mid Cap Value Fund:** Mr Bena started his career with Daiwa SB Investments in April 2006 on a graduate rotation scheme in

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various departments. In October 2007, he became a strategist in the Market Analysis Group of the Equity Management Department. After two years, he was transferred to the Investment Strategy Department and became a Japan equity strategist. After gaining experience as a strategist, Mr Bena became a portfolio manager of the Value + Alpha Group in July 2011. He is now a senior portfolio manager of the group. Mr Bena graduated from Kansai University with BS/Informatics (2004) and Kansai University, Graduate School of Informatics with MS/Informatics (2006). He has won multiple awards, including the following:

Morningstar Category Awards Japan Equity Winner (2024)  
Sumitomo Mitsui DS Japan Value Equity Fund\*

R&I Fund Contest (2024)  
R&I Fund Category: Investment Fund Category / Japanese Value Equity\*  
Defined Benefit Pension Category / Japanese Mid and Small Caps Equity  
R&I Fund Contest (2022)  
Defined Benefit Pension Category / Japanese Mid and Small Caps Equity

\*These awards were received in relation to Mr Bena's Large Cap strategy.

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**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 prospectus of the UCITS and to the KID before making any final investment decisions.

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