

Nomura Asset Management launches European High Yield Bond Fund

London, 9th November 2017: Nomura Asset Management U.K. Ltd. today announces the launch of the Nomura Funds Ireland European High Yield Bond fund.

The UCITS fund, domiciled in Ireland, will be managed by Nomura Corporate Research and Asset Management (NCRAM), Nomura's analyst-driven investment boutique specialising in credit investment. Steven Rosenthal, Executive Director and Portfolio Manager with NCRAM will lead the fund and is supported by a team of 12 credit analysts.

NCRAM seeks to capture the European high yield bond market's attractive total returns while minimising losses by identifying "Strong Horse" companies that can carry their debt load through the economic cycle. The strategy has the flexibility to invest opportunistically across the high yield credit spectrum. The fund's performance target is benchmark +2 per cent per annum.

Steven Rosenthal, Executive Director and Portfolio Manager at NCRAM, said:

"We believe that European high yield bonds have earned a place in an investor's tactical allocation, offering an attractive portfolio diversification opportunity marked by high risk-adjusted yields, and low default rates. Geopolitical risk, generally full valuations, and the expectation for a large new issue calendar in the autumn have the potential to create volatility which we can use to our advantage."

"Going forward, we remain constructive on credit fundamentals. Monetary policy and its effect on the structure of interest rates will continue to be a major focus. While the lack of inflation is a headwind for monetary tightening, we believe that both the Fed and ECB are poised to begin removing stimulus, and that interest rates will gradually move higher. At this time we manage our portfolios with a duration shorter than the market overall."

Andreas Körner, Head of Marketing and Client Relations, EMEA at Nomura Asset Management, said:

"Our new European High Yield Bond Fund complements the current range of NCRAM's High Yield strategies, demonstrating our commitment to enable clients to tackle the ongoing challenge of low yields and volatile markets. Currently, European high yield remains one of the few places where investors can still find attractive yields."

Offered in other formats since 2012, Nomura's European High Yield Bond strategy has consistently outperformed its benchmark each year since inception and has delivered 9.3% annualised since inception¹ (as at September 2017).

Established in 1991 in New York, NCRAM manages \$23.5 billion in total assets, including \$17.8 billion in US Total Return High Yield strategies – its flagship strategy managed for the past 25 years.

- Ends -

Fund Benchmark: BOAML European Currency High Yield Constrained Index (HPC0)

Performance target: 2% p.a. (gross) excess return

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The Nomura Asset Management Group is a leading global investment manager. Headquartered in Tokyo, Nomura has additional investment offices throughout the world including London, Singapore, Malaysia, Hong Kong, Shanghai, Taipei, Frankfurt and New York. With a global workforce of over 1,200 employees it has been operating in Europe for the past 30 years. Today Nomura Asset Management provides its clients with a wide range of innovative investment strategies including global, regional and single country equities, high yield bonds, alternative investments and global fixed income strategies.

Nomura Asset Management U.K. Ltd. is authorised and regulated by the Financial Conduct Authority.

NCRAM is an SEC registered investment adviser in the U.S. and a subsidiary of Nomura Holding America Inc.

¹Source: Nomura Asset Management. Performance results shown for the NCRAM Euro High Yield EUR (unhedged) composite, data as at 29/09/2017. Our returns are presented in EUR and are shown gross of fees. Benchmark: BOAML European Currency High Yield Constrained Index (HPC0) since Inception: December 2012.

The Nomura Funds Ireland European High Yield Bond Fund is a sub-fund of Nomura Funds Ireland plc. which is authorised and supervised by the Central Bank of Ireland as an open-ended umbrella investment company with variable capital and segregated liability between its sub-funds, established as an undertaking for Collective Investment in Transferable Securities under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011.