



Reference

**The following is an English translation of the original Japanese version.
If there is any inconsistency between the two versions, the Japanese version shall prevail.**

20 June, 2019

SPARX Asset Management Co., Ltd.

Customer-oriented business management metrics (KPI)

SPARX Asset Management Co., Ltd. (hereafter SPARX) adopted on 28 June, 2017, all of the 7 principles set forth in the "Principles for Customer-Oriented Business Operations" issued by the FSA on 30 March, 2017.

In conjunction with the above, we have established the following items as Key Performance Indicators (KPIs) for the "Policy for Customer-Oriented Operations." We will regularly publish this indicator in the future and regularly review it in light of changes in the environment surrounding this principle.

1. To pursue the best interests of customers

SPARX seeks to maximize high-quality returns over the long term after deducting, commissions and other charges, while taking into account the risks that end investors can take. To this end, we will make the following efforts.

- We always consider attractive investments.
- We will invest with integrity with our professional insight and conscience. While considering our customers' needs, we always consider what our best investment is and do not make investments that harm our customers' long-term interests.
- In order to invest in good businesses at attractive prices, we will strive to control investment risk and pursue high returns by thoroughly investigating investment targets on behalf of customers who have entrusted them.
- We will contribute to enhancing the value of our investments by appropriately encouraging them through, for example, meaningful dialogue with management.
- Considering the organizational structure and the market environment, we will manage optimal investment balances for each investment strategy. In order to control optimal investment balances, we may take measures such as discontinuing solicitation.
- If the fund size is smaller and the expense ratio is higher, we will work closely with the distributors to undertake initiatives with a view to consolidation and redemption.

Key Performance Indicators (KPI)

1-1. Number of surveys conducted annually by the Investment and Research division

In FY 2018, total number of surveys conducted by the Investment and Research Division was 3,359.

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Reference

1-2. Performance figures

The investment performances of our domestic publicly offered investment trusts as of March 29, 2019 are as follows:

- ※ Annualized returns represent the annualized rate of return over the calculation period.
- ※ Annualized risk represents the variability of the annualized return over the calculation period.
- ※ NAV is net of fees.
- ※ Past performance is calculated based on month-end values.
- ※ The fund's performance in the event of dividend payment in the Fund accounting period is the rate of return derived by reinvesting distributions (before tax). Therefore, it is different from the actual yield to investors.
- ※ These results have been made based on the past performance and are not guarantees of the future results.

Source: SPARX Asset Management Co., Ltd., FactSet Pacific Inc.

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Reference

SPARX JAPAN EQUITY FUND

NAVPS / NAV (as of 29 March, 2019)

NAV (per 10000 units)	JPY 22,389
Net Assets	JPY 20.75 Billion
Investment period	18 years and 10 months

Annualized Risk/Annualized Return (Date of Inception (26 May, 2000) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	4.57%	0.23%	4.35%
Annualized risk	19.69%	21.14%	-1.45%

Historical Performance (Date of Inception (26 May, 2000) to 29 March, 2019)

CY	Fund	Index	Excess
2000	-22.64%	-15.77%	-6.87%
2001	-2.70%	-19.59%	16.89%
2002	-17.67%	-18.30%	0.63%
2003	36.86%	23.76%	13.09%
2004	22.73%	10.15%	12.58%
2005	74.28%	43.50%	30.77%
2006	-16.17%	1.90%	-18.07%
2007	-15.19%	-12.22%	-2.97%
2008	-40.70%	-41.77%	1.08%
2009	8.63%	5.63%	3.01%
2010	0.22%	-0.97%	1.19%
2011	-13.69%	-18.94%	5.24%
2012	18.49%	18.01%	0.48%
2013	73.12%	51.46%	21.65%
2014	14.17%	8.08%	6.09%
2015	17.06%	9.93%	7.13%
2016	0.84%	-1.85%	2.69%
2017	29.62%	19.69%	9.93%
2018	-14.60%	-17.80%	3.19%
2019 (as of March)	7.65%	6.53%	1.12%

※ Although TOPIX is a benchmark for the Fund, the Fund will not intend to follow the benchmark.

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Reference

SPARX ACTIVE JAPAN

NAVPS / NAV (As of 29 March, 2019)

NAV (per 10000 units)	JPY 20,773
Net Assets	JPY 15.50 Billion
Investment period	14 years and 11 months

Annualized Risk/Annualized Return (27 April, 2004 to 29 March, 2019)

	Fund	Index	Excess
Annualized return	5.23%	3.70%	1.53%
Annualized risk	19.89%	21.30%	-1.41%

Historical Performance (Date of Inception (27 April, 2004) to 29 March, 2019)

CY	Fund	Index	Excess return
2004	-9.12%	-4.55%	-4.57%
2005	78.13%	45.23%	32.90%
2006	-15.45%	3.02%	-18.47%
2007	-15.17%	-11.11%	-4.06%
2008	-40.38%	-40.62%	0.23%
2009	8.34%	7.62%	0.71%
2010	-0.07%	0.96%	-1.03%
2011	-13.82%	-17.00%	3.17%
2012	18.44%	20.86%	-2.41%
2013	72.95%	54.41%	18.54%
2014	14.06%	10.27%	3.79%
2015	19.16%	12.06%	7.10%
2016	0.44%	0.31%	0.12%
2017	31.47%	22.23%	9.24%
2018	-14.78%	-15.97%	1.20%
2019 (as of March)	7.58%	7.74%	-0.16%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only.

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Reference

SPARX JAPAN OPEN

NAVPS/NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	JPY 21,290
NAV	JPY 18.89 Billion
Investment period	2014 years and 10 months

Annualized Risk/Annualized Return (Date of Inception (20 May, 2004) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	5.87%	4.33%	1.53%
Annualized risk	19.60%	21.21%	-1.61%

Historical Performance (Date of Inception (20 May, 2004) to 29 March, 2019)

CY	Fund	Index	Excess return
2004	-1.28%	4.50%	-5.78%
2005	81.21%	45.23%	35.98%
2006	-15.28%	3.02%	-18.30%
2007	-15.66%	-11.11%	-4.55%
2008	-40.40%	-40.62%	0.22%
2009	8.22%	7.62%	0.60%
2010	0.01%	0.96%	-0.95%
2011	-13.76%	-17.00%	3.24%
2012	18.46%	20.86%	-2.40%
2013	73.91%	54.41%	19.50%
2014	13.55%	10.27%	3.28%
2015	19.19%	12.06%	7.13%
2016	-0.10%	0.31%	-0.41%
2017	30.98%	22.23%	8.75%
2018	-14.53%	-15.97%	1.44%
2019 (as of March)	7.25%	7.74%	-0.49%

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Reference

SPARX JAPAN ALL CAP EQUITY FUND FOR WRAP ACCOUNTS

NAVPS/NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	JPY 13,251
NAV	JPY 8.52 Billion
Investment period	2 years and 6 months

Annualized Risk/Annualized Return (Date of Inception (23 September, 2016) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	11.57%	9.22%	2.35%
Annualized risk	14.82%	14.92%	-0.09%

Historical Performance (Date of Inception (23 September, 2016) to 29 March, 2019)

CY	Fund	Index	Excess return
2016	7.68%	13.37%	-5.69%
2017	32.34%	22.23%	10.11%
2018	-13.54%	-15.97%	2.44%
2019 (as of March)	7.55%	7.74%	-0.19%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only.

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Reference

SPARX JAPANESE EQUITY STEWARDSHIP FUND

NAVPS/NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 13,077
NAV	JPY 10.86 Billion
Investment period	4 years and 3 months

Annualized Risk/Annualized Return (Date of Inception (2 December, 2014) through 29 March, 2019)

	Fund	Index	Excess
Annualized return	6.73%	4.86%	1.86%
Annualized risk	16.68%	18.89%	-2.21%

Historical Performance (Date of Inception (2 December, 2014) to 29 March, 2019)

CY	Fund	Index	Excess return
2014	0.25%	-0.87%	1.12%
2015	16.08%	12.06%	4.01%
2016	3.88%	0.31%	3.57%
2017	23.89%	22.23%	1.66%
2018	-17.48%	-15.97%	-1.50%
2019 (as of March)	7.83%	7.74%	0.09%

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Reference

SPARX NEW GLOBAL BLUE CHIP JAPANESE EQUITY FUND

NAVPS /NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 34,680
NAV	JPY 1,297.55 Billion
Investment period	11 years

Annualized Risk/Annualized Return (Date of Inception (28 March, 2008) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	12.87%	4.46%	8.41%
Annualized risk	19.33%	22.19%	-2.86%

Historical Performance (Date of Inception (28 March, 2008) to 29 March, 2019)

CY	Fund	Index	Excess return
2008	-17.06%	-29.23%	12.17%
2009	15.93%	7.62%	8.31%
2010	6.77%	0.96%	5.81%
2011	-15.65%	-17.00%	1.34%
2012	26.00%	20.86%	5.14%
2013	65.21%	54.41%	10.80%
2014	26.13%	10.27%	15.86%
2015	18.52%	12.06%	6.46%
2016	7.37%	0.31%	7.06%
2017	29.15%	22.23%	6.91%
2018	-5.69%	-15.97%	10.28%
2019 (as of March)	10.67%	7.74%	2.93%

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Reference

SPARX GENSENTOUSHI FUND (NOMURA SMA
EW)

NAVPS /NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 12,364
NAV	JPY 384.31 Billion
Investment period	1 year and 7 months

Annualized Risk/Annualized Return (Date of Inception (25 August, 2017) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	13.95%	2.64%	11.31%
Annualized risk	17.22%	15.74%	1.48%

Historical Performance (Date of Inception (25 August, 2017) to 29 March, 2019)

CY	Fund	Index	Excess return
2017	16.60%	15.24%	1.36%
2018	-3.01%	-15.97%	12.96%
2019 (as of March)	9.33%	7.74%	1.59%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only.

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Reference

SPARX JAPAN SMALL CAP FUND

NAVPS/ NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 41,775
NAV	JPY 46.06 Billion
Investment period	18 years and 5 months

Annualized Risk/Annualized Return (Date of Inception (2019 October, 2000)-29 March, 2019)

	Fund	Index	Excess
Annualized return	8.96%	4.46%	4.50%
Annualized risk	18.95%	17.63%	1.32%

Historical Performance (Date of Inception (2019 October, 2000) to 29 March, 2019)

CY	Fund	Index	Excess return
2000	-11.62%	-19.37%	7.75%
2001	-16.01%	-12.92%	-3.10%
2002	-11.92%	-18.45%	6.53%
2003	61.89%	75.40%	-13.51%
2004	25.03%	33.80%	-8.78%
2005	65.57%	44.15%	21.42%
2006	-14.01%	-33.81%	19.79%
2007	-20.07%	-16.27%	-3.80%
2008	-38.02%	-33.21%	-4.81%
2009	30.22%	0.33%	29.88%
2010	13.51%	8.15%	5.36%
2011	-13.64%	-7.99%	-5.65%
2012	40.47%	14.42%	26.05%
2013	65.72%	87.10%	-21.39%
2014	17.03%	1.87%	15.16%
2015	12.48%	10.07%	2.41%
2016	4.88%	6.22%	-1.34%
2017	41.60%	42.78%	-1.18%
2018	-10.58%	-21.99%	11.41%
2019 (as of March)	3.99%	11.97%	-7.98%

※ Although JASDAQ Index is a benchmark for the Fund, the Fund will not intend to follow the benchmark.

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Reference

SPARX M AND S JAPAN FUND

NAVPS / NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 25,648
NAV	JPY 224.19 Billion
Investment period	12 years and 1 month

Annualized Risk/Annualized Return (Date of Inception (31 January, 2007) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	8.50%	2.69%	5.81%
Annualized risk	20.38%	21.40%	-1.02%

Historical Performance (Date of Inception (31 January, 2007) to 29 March, 2019)

CY	Fund	Index	Excess return
2007	-21.09%	-14.23%	-6.86%
2008	-42.80%	-37.72%	-5.07%
2009	7.62%	9.95%	-2.33%
2010	14.59%	1.93%	12.67%
2011	-2.73%	-12.81%	10.08%
2012	43.51%	16.25%	27.26%
2013	78.29%	53.32%	24.97%
2014	22.03%	14.80%	7.23%
2015	15.22%	15.12%	0.10%
2016	6.68%	1.06%	5.61%
2017	44.56%	25.38%	19.18%
2018	-11.83%	-16.90%	5.07%
2019 (as of March)	4.03%	7.43%	-3.41%

※ Although the Russell/Nomura Mid Small Cap Index (including dividends) is a benchmark for the Fund, the Fund will not manage its investments intended to track its benchmarks.

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Reference

SPARX JAPAN MID SMALL EQUITY FUND
FOR WRAP ACCOUNTS

NAVPS / NAV (as of 29 March, 2019) for

NAVPS (per 10000 units)	JPY 15,831
NAV	JPY 1.76 Billion
Investment period	2 years and 6 months

Annualized Risk/Annualized Return (Date of Inception (23 September, 2016) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	19.57%	9.89%	9.68%
Annualized risk	15.52%	15.00%	0.52%

Historical Performance (Date of Inception (23 September, 2016) to 29 March, 2019)

CY	Fund	Index	Excess return
2016	16.68%	13.84%	2.84%
2017	45.90%	25.38%	20.52%
2018	-10.80%	-16.90%	6.10%
2019 (as of March)	4.25%	7.43%	-3.18%

※ Although the Russell/Nomura Mid Small Cap Index (including dividends) is a benchmark for the Fund, the Fund will not manage its investments intended to track its benchmarks.

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Reference

SPARX ELECT FEW INVESTMENT JAPANESE EQUITY FUND

NAVPS / NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	18,409 Yen
NAV	9.47 Billion yen
Investment period	5 years and 6 months

Annualized Risk/Annualized Return (Date of Inception (30 August, 2013) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	12.24%	8.77%	3.47%
Annualized risk	19.09%	18.65%	0.44%

Historical Performance (Date of Inception (30 August, 2013) to 29 March, 2019)

CY	Fund	Index	Excess return
2013	11.65%	17.57%	-5.92%
2014	16.13%	10.27%	5.86%
2015	12.91%	12.06%	0.85%
2016	2.70%	0.31%	2.39%
2017	49.16%	22.23%	26.93%
2018	-21.06%	-15.97%	-5.09%
2019 (as of March)	8.92%	7.74%	1.17%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only.

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Reference

SPARX PREMIUM JAPAN MICRO CAP EQUITY FUND

NAVPS / NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 16,685
NAV	JPY 110.80 Billion
Investment period	3 years and 5 months

Annualized Risk/Annualized Return (Date of Inception (30 September, 2015) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	16.67%	12.04%	4.63%
Annualized risk	17.60%	16.89%	0.71%

Historical Performance (30 September, 2015 to 29 March, 2019)

CY	Fund	Index	Excess return
2015	4.89%	9.53%	-4.64%
2016	21.46%	10.42%	11.04%
2017	61.80%	43.87%	17.93%
2018	-23.92%	-21.12%	-2.80%
2019 (as of March)	10.57%	9.35%	1.22%

※ Although MSCI Japan Micro Cap Index (including dividends) is a benchmark for the Fund, the Fund will not invest with the intent of following the benchmark.

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Reference

SPARX JAPANESE EQUITY LONG SHORT FUND

NAVPS / NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 21,316
NAV	JPY 19.41 Billion
Investment period	17 years

Annualized Risk/Annualized Return (Date of Inception (11 March, 2002) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	4.95%	3.91%	1.04%
Annualized risk	8.92%	21.08%	-12.15%

Historical Performance (Date of Inception (11 March, 2002) to 29 March, 2019)

CY	Fund	Index	Excess return
2002	-5.22%	-23.18%	17.96%
2003	42.97%	25.19%	17.78%
2004	17.27%	11.34%	5.93%
2005	27.61%	45.23%	-17.62%
2006	-8.23%	3.02%	-11.25%
2007	-9.26%	-11.11%	1.85%
2008	-13.27%	-40.62%	27.34%
2009	-6.31%	7.62%	-13.93%
2010	10.52%	0.96%	9.55%
2011	-14.69%	-17.00%	2.31%
2012	9.78%	20.86%	-11.08%
2013	34.60%	54.41%	-19.81%
2014	1.63%	10.27%	-8.64%
2015	2.90%	12.06%	-9.16%
2016	0.65%	0.31%	0.34%
2017	19.76%	22.23%	-2.47%
2018	-7.90%	-15.97%	8.08%
2019 (as of March)	4.66%	7.74%	-3.08%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only...

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Reference

SPARX JAPANESE EQUITY L AND S

NAVPS / NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	JPY 21,306
NAV	JPY 6.24 Billion
Investment period	16 years and 1 month

Annualized Risk/Annualized Return (Date of Inception (14 February, 2003) to 29 March, 2019)

	Fund	Index number	Excess profit/variance
Annualized return	5.43%	5.75%	-0.32%
Annualized risk	8.93%	21.11%	-12.17%

Historical Performance (Date of Inception (14 February, 2003) to 29 March, 2019)

CY	Fund	Index	Excess return
2003	36.87%	23.76%	13.11%
2004	16.81%	11.34%	5.47%
2005	27.26%	45.23%	-17.96%
2006	-7.81%	3.02%	-10.83%
2007	-9.34%	-11.11%	1.77%
2008	-13.35%	-40.62%	27.27%
2009	-6.27%	7.62%	-13.89%
2010	10.53%	0.96%	9.56%
2011	-14.66%	-17.00%	2.33%
2012	9.86%	20.86%	-11.00%
2013	34.46%	54.41%	-19.95%
2014	1.66%	10.27%	-8.61%
2015	2.31%	12.06%	-9.75%
2016	0.54%	0.31%	0.23%
2017	19.81%	22.23%	-2.42%
2018	-5.24%	-15.97%	10.73%
2019 (as of March)	4.62%	7.74%	-3.12%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only...

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Reference

SPARX JAPANESE EQUITY L AND S PLUS

NAVPS / NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	17,254 Yen
NAV	0.58 Billion yen
Investment period	119 years and 2 months

Annualized Risk/Annualized Return (Date of Inception (30 June, 2009)-29 March, 2019)

	Fund	Index number	Excess profit/variance
Annualized return	5.63%	7.95%	-2.32%
Annualized risk	13.84%	19.19%	-5.36%

Historical Performance (Date of Inception (30 June, 2009) to 29 March, 2019)

Calendar year	Fund	Index number	Excess return
2009	-3.28%	-0.12%	-3.16%
2010	2.84%	0.96%	1.88%
2011	-17.67%	-17.00%	-0.68%
2012	24.35%	20.86%	3.49%
2013	41.02%	54.41%	-13.39%
2014	9.84%	10.27%	-0.43%
2015	10.71%	12.06%	-1.35%
2016	-0.82%	0.31%	-1.13%
2017	22.07%	22.23%	-0.16%
2018	-22.41%	-15.97%	-6.43%
2019 (as of March)	5.18%	7.74%	-2.57%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only.

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Reference

SPARX GENSEN STOCK FUND HEDGED (Daiwa Discretionary Account)

NAVPS / NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 10,928
NAV	JPY 112.56 Billion
Investment period	11 months

Annualized Risk/Annualized Return (Date of Inception (17 April, 2018) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	9.57%	-6.31%	15.88%
Annualized risk	6.30%	16.76%	-10.47%

Historical Performance (Date of Inception (17 April, 2018) to 29 March, 2019)

CY	Fund	Index	Excess return
2018	8.04%	-12.87%	20.91%
2019 (as of March)	1.15%	7.74%	-6.59%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only.

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Reference

SPARX BEST PICK FUND HEDGED

NAVPS / NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	JPY 10,931
NAV	JPY 267.10 Billion
Investment period	10 months

Annualized Risk/Annualized Return (Date of Inception (1 May, 2018)-29 March, 2019)

	Fund	Index number	Excess profit/variance
Annualized return	10.01%	-8.86%	18.87%
Annualized risk	6.42%	17.00%	-10.59%

Historical Performance (Date of Inception (1 May, 2018) to 29 March, 2019)

CY	Fund	Index	Excess return
In 2018	8.09%	-14.88%	22.97%
2019 (up to March)	1.13%	7.74%	-6.61%

※ The Reference Index (TOPIX Total Return) is for comparative purposes only.

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Reference

SPARX ASIA MIDDLE EAST EQUITY FUND

NAVPS/NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 9,031
NAV	JPY 22.93 Billion
Investment period	11 years and 3 months

Annualized Risk/Annualized Return (Date of Inception (30 November, 2007) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	2.67%	3.16%	-0.49%
Annualized risk	19.05%	25.54%	-6.50%

Historical Performance (Date of Inception (30 November, 2007) to 29 March, 2019)

CY	Fund	Index	Excess return
2007	2.24%	2.49%	-0.25%
2008	-53.96%	-61.50%	7.53%
2009	51.95%	77.99%	-26.04%
2010	8.75%	5.37%	3.38%
2011	-9.66%	-20.11%	10.45%
2012	29.46%	37.30%	-7.84%
2013	29.87%	25.98%	3.89%
2014	20.51%	17.22%	3.29%
2015	-7.97%	-8.02%	0.05%
2016	-6.05%	3.64%	-9.69%
2017	20.80%	32.63%	-11.83%
2018	-16.33%	-15.69%	-0.64%
2019 (as of March)	9.01%	12.15%	-3.14%

※ The Reference Index (MSCI AC Asia Pacific ex Japan Index (Yen Basis)) is not a benchmark for the Fund.

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Reference

SPARX ASIA MIDDLE EAST EQUITY FUND
(GROWTH)

NAVPS/NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 26,951
NAV	JPY 0.33 Billion
Investment period	10 years and 4 months

Annualized Risk/Annualized Return (Date of Inception (12 November, 2008) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	9.81%	12.31%	-2.50%
Annualized risk	15.67%	21.92%	-6.25%

Historical Performance (Date of Inception (12 November, 2008) to 29 March, 2019)

CY	Fund	Index	Excess return
2008	1.55%	-5.79%	7.34%
2009	48.22%	77.99%	-29.76%
2010	7.42%	5.37%	2.05%
2011	-7.79%	-20.11%	12.32%
2012	26.22%	37.30%	-11.08%
2013	26.70%	25.98%	0.72%
2014	17.70%	17.22%	0.47%
2015	-7.67%	-8.02%	0.35%
2016	-5.48%	3.64%	-9.12%
2017	18.83%	32.63%	-13.80%
2018	-14.32%	-15.69%	1.37%
2019 (as of March)	8.10%	12.15%	-4.05%

※ The Reference Index (MSCI AC Asia Pacific ex Japan Index (JPY)) is not a benchmark for the Fund.

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Reference

SPARX NEW GLOBAL BLUE CHIP ASIA EQUITY FUND

NAVPS / NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	JPY 10,408
NAV	JPY 7.97 Billion
Investment period	1 year and 10 months

Annualized Risk/Annualized Return (Date of Inception (26 May, 2017)-29 March, 2019)

	Fund	Index	Excess
Annualized return	2.14%	5.70%	-3.56%
Annualized risk	14.60%	16.04%	-1.44%

Historical Performance (Date of Inception (26 May, 2017) to 29 March, 2019)

CY	Fund	Index	Excess return
2017	13.05%	18.06%	-5.01%
2018	-15.96%	-16.20%	0.24%
2019 (as of March)	9.55%	12.22%	-2.67%

※ The Reference Index (MSCI AC Asia ex Japan Index (Yen Basis)) is not a benchmark for the Fund.

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Reference

SPARX NEW GLOBAL BLUE CHIP JAPAN ASIA EQUITY FUND

NAVPS / NAV (As of 29 March, 2019)

NAVPS (per 10000 units)	10,617 Yen
NAV	76.66 Billion yen
Investment period	4 months

Annualized Risk/Annualized Return (Date of Inception (31 October, 2018) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	15.62%	21.15%	-5.53%
Annualized risk	13.94%	16.33%	-2.39%

Historical Performance (Date of Inception (31 October, 2018) to 29 March, 2019)

CY	Fund	Index	Excess return
2018	-4.94%	-1.91%	-3.03%
2019 (as of March)	11.69%	10.34%	1.34%

※ The Reference Index (MSCI AC Asia Index (JPY/Gross)) is not a benchmark for the Fund.

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Reference

SPARX KOREA GENSENTOUSHI FUND

NAVPS / NAV (as of 29 March, 2019)

NAVPS (per 10000 units)	JPY 9,947
NAV	JPY 6.37 Billion
Investment period	3 months

Annualized Risk/Annualized Return (Date of Inception (21 December, 2018) to 29 March, 2019)

	Fund	Index	Excess
Annualized return	-2.00%	9.16%	-11.16%
Annualized risk	15.75%	17.38%	-1.63%

Historical Performance (Date of Inception (21 December, 2018) to 29 March, 2019)

CY	Fund	Index	Excess return
2018	0.52%	-0.99%	1.51%
2019 (up to March)	-1.04%	3.35%	-4.39%

※ The reference index (KOSPI) (yen basis) is not a benchmark of the Fund.

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Reference

1-3. Rating

SPARX Asset Management Co., Ltd. will continue to publish the ratings assigned to our investment trusts by Nomura Research Institute, Ltd. as Key Performance Indicators (KPI).

Rating is ranked by each category based on a return after the risk adjustment.

Since the funds subject to rating are different for each category, the percentile value (the ranking in the same category is converted back to 1 for the highest and 100 for the lowest) is calculated to compare the rankings, and rating is performed based on that value. Ratings are evaluated by investment trusts that meet the following conditions.

- Investment performance for at least 3 years
- Average total net assets over the past three years is over 1 billion yen and total net assets at the end of the final evaluation is over 1 billion yen
- Once subject to evaluation, if the average Net Assets Value during the evaluation period is JPY1 billion or more and the Net Assets at the end of the final month of the evaluation is JPY800 million or more, the subject will be continued
- Fall into the category in which there are 10 or more investment trusts that satisfy the above conditions (sub-classifications segmented by exchange classification)

As of March 29, 2019, 4 out of 10 Funds with a rating of 5 (excluding the investment balance ratio of 81.2% and no rating) in our domestic Funds, weighted average rating based on NAV is 4.75.

Rating	Percentile of values	Number of units	Investment balance ratio
☆☆☆☆☆	Top 10%	4	81.2%
☆☆☆☆	10~33%	2	13.8%
☆☆☆	34~67%	3	3.7%
☆☆	68~90%	1	1.3%
☆	Bottom 10%	0	0.0%
Total		10	100.0%

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Reference

2. Appropriate management of conflicts of interest

SPARX leverages its advantages as an independent investment management company to build and maintain a sophisticated governance system. We have established a conflict of interest management policy to properly manage conflicts of interest and ensure that conflict of interest transactions do not impair the interests of our customers. SPARX will continue to actively develop new investment fields as an investment company. We anticipate that new types of conflicts of interest will arise when we create new forms of investment, and from time to time we will prioritize the best interests of our customers and review our conflicts of interest management policies as appropriate.

Key Performance Indicators (KPI)

2-1. Policy for conflicts of interest management

SPARX Asset Management Co., Ltd. ("we") will conduct its business appropriately in accordance with laws, regulations and conflicts of interest management policies with respect to transactions that may involve a conflict of interest between us or our group companies and our customers, and with respect to transactions that may involve a conflict of interest between our customers, in order not to unduly harm the interests of our customers. We disclose here an overview of our conflict of interest management policy in accordance with laws and regulations.

<https://www.sparx.co.jp/profit.html> (Japanese)

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Reference

3. Approach to Compensation and Expenses

SPARX will set a compensating level sufficient to allow customers to entrust their money. SPARX seeks to provide customers with high-quality, long-term returns on a net basis after deducting compensation, commissions and other expenses. In this context, we will disclose the compensation and commissions paid to customers in an easy-to-understand manner.

Key Performance Indicators (KPI)

3-1. Net Return (Distribution Reinvestment NAV Basis)

In order to provide long-term, good and high-quality net returns after deducting fees and commissions, our publicly offered investment trusts (domestically registered) have set a return based on the NAV of dividend reinvestment as Key Performance Indicators (KPI). Please refer to 1-2 above for the relevant figures.

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Reference

4. Providing customers with the information they need in an easy-to-understand manner

SPARX will endeavor to provide customers with an easy-to-understand and accurate understanding of SPARX's activities and ideas through reports for customers, our website, and postings on SPARX TV.

Key Performance Indicators (KPI)

4-1. Performance in providing content to customers

Please refer to the table below for the number of the content provided to customers in FY2018 by SPARX Asset Management Co., Ltd.

Item	Numbers
Facebook posts	99
SPARX-TV (Number of contents)	43
SPARX-TV (Number of viewers)	7177
IR Newsletter	50
Reports (Number of deliveries)	5
Reports (Number of viewers)	6892
Special Issue: Quotations from Buffet Club (Number of views)	5
Special Issue :Quotations from Buffet Club (Number of manga edition views)	30,421
Special Issue :Quotations from Buffet Club (Number of article edition views)	5549

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Reference

5. Structuring of financial products suitable for customers

SPARX will thoroughly ascertain the attributes and needs of our customers and aim to provide what they believe will really contribute to their asset building.

SPARX' investment is based on long-term investments based on thorough on-site research in principle. Accordingly, customers having attributes and needs that match our investments are those who can hold financial products with the aim of long-term asset formation ("investors"). We will continue to communicate this idea to our marketers and share it with our customers.

Key Performance Indicators (KPI)

5-1. Net Assets and number of products of investment trusts

Net Assets in our publicly offered domestic investment trusts as of 29 March, 2019 were approximately JPY 267 billion, the average in size is JPY12billion, and the number of products is 22.

5-2. Number of years invested in investment trusts

The average number of years under management in our publicly offered domestic investment trusts as of 29 March, 2019 was approximately 8.2 years for a simple average and approximately 7.9 years for a weighted average based on Net Assets.

5-3. Number and Composition Ratio of Distributed Funds to Asset under Management.

As of 29 March, 2019, among our publicly offered domestic investment trusts, there were 18 funds that settle their accounts once a year, accounting for approximately 80.8% of the total assets under management.

Frequency of distribution	Number of units	Investment balance ratio
Once	18	80.8%
Twice	3	18.4%
6 times	1	0.9%

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Reference

6. To Establish Initiative Policies

SPARX places training and education at the core of its business. We will cultivate professionals with a high level of consciousness of integrity, share the significance of implementing this policy, and deepen their understanding of this policy. In this way, we will foster awareness that is necessary for all officers and employees to fulfill customer-oriented business operations.

When evaluating the performance of officers and employees, we will consider the implementation of this policy as an evaluation item and seek a clear commitment. At the same time, we will be required to conduct customer-oriented business operations by giving rewards and penalties.

The implementation status of this policy at SPARX is regularly reported to the Board of Directors by the divisions.

Key Performance Indicators (KPI)

6-1. Number of reports, proposals, and details submitted to the Board of Directors

On 20 June, 2018, SPARX Asset Management Co., Ltd. adopted all of the customer-oriented operational Key Performance Indicators (KPI). In addition, on June 20, 2019 the Board of Directors meeting adopted "6-2: Status of implementation of training and education" as a new Key Performance Indicators.

6-2. Status of implementation of training and education

The status of the implementation of training and education in FY2018 is as follows.

Name of Training	Subject to	Implementation on	Classification
Compliance training at the time of joining the company	New employees	First day of the work	In-house training
Fair Disclosure Rules And insider training	All directors	2018 August.	External training
Fair Disclosure Rules And insider training	All employees	2018 October.	In-house training
Training for new employees	New employees	2019 February.	In-house training

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Notes on Investment Trusts

The following items are required to be indicated pursuant to Article 37 of the Financial Instruments and Exchange Act. Please note that the content may differ from the expenses and risks applicable to the individual investment trusts actually purchased by customers. Since the items and rates of expenses incurred by the fund vary depending on the distributors and individual investment trusts, the rates of expenses are the maximum rates for each of the investment trusts managed by SPARX Asset Management Co., Ltd. In addition, if you wish to purchase a specific investment trust, you will be given the Prospectus of the investment trust in advance or at the same time. Please make sure to visit this document and make a final decision on investment at your own discretion.

Risks Related to Investment Trusts

The NAV of investment trusts fluctuates because they invest mainly in securities with price movements, such as domestic and overseas stocks, bonds and bonds, and real estate investment trust securities (assets denominated in foreign currencies also have exchange risk). Accordingly, the investment trusts do not guarantee the principle, and may incur losses due to a decline in the NAV, which may fall below the investment principal, due to factors such as fluctuations in transaction prices and exchange rates in the market for such assets.

Specialized funds, unlike general mutual funds that diversify investments, manage their investments in a narrowly-focused manner, and therefore, fluctuations in the NAV can be extremely large regardless of market trends.

Long/Short Funds engage in short trading, which causes the NAV to fall when short stocks rise. In addition, if both long and short positions were incorrect, losses on both sides could be greater than losses in a regular equity investment trust.

The above describes a portion of the risks related to investment trusts, and the details and nature of the risks differ according to the types of assets to be invested, investment restrictions, trading markets, and countries to be invested for each individual investment trust.

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Expenses related to investment trusts

The maximum expense (rate) associated with our publicly offered investment trusts (domestically registered) is as follows:

- Expenses that you pay directly

Commission at the time of purchase Up to 3.78% (tax included)

Commission for liquidation None

Reserves for trust assets Up to 0.5%

- Expense trust fees borne indirectly during the holding

period of the investment trust Up to 2.052% (tax included)

Performance fees (*) Performance fees may be charged by investment trusts.

※ Since the actual remuneration amount fluctuates depending on the level of the standard value, the maximum amount, etc. cannot be indicated in advance.

Other expenses and commissions (*) Trust assets bear various expenses, such as audit expenses, expenses for preparing prospectuses and investment reports, brokerage commissions incurred in the purchase and sale of incorporated securities (including funds), expenses required for futures and options transactions, and expenses for custody of assets denominated in foreign currencies. In addition to the above, there may be expenses such as trustee fees and custodian fees if the securities incorporated are funds. As these expenses fluctuate depending on the status of operations, etc., it is not possible to indicate the rate, maximum amount, etc. in advance.

※ The total amount of commissions, etc. cannot be displayed because it varies depending on the holding period, etc.

※ Please contact a sales company for details, as it varies depending on the investment trust.

Issued by

SPARX asset management Co., Ltd.

Registrations:

Financial Services Agency, Japan; Financial Instrument Businesses Registration, Director of Kanto Local Finance Bureau No. 346

Membership: Investment Trusts Association, Japan Investment Advisers Association, Japan Securities Dealers Association, and Type II Financial Instruments Firms Association

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■ MSCI Japan Micro Cap Index with dividends

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■ Contact Information

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