

**Morningstar Japan Awards its “Fund of the Year 2007” to Nikko AM’s****Nikko Wallet of the World**

**Tokyo, January 23, 2007** - Nikko Asset Management Co., Ltd. (“Nikko AM”) (Timothy F. McCarthy, Chairman and CEO), announced today that it is the recipient of the Morningstar “Fund of the Year 2007” award in the bond fund division, for its *Nikko Wallet of the World*, an open-ended securities investment trust Fund of Funds.

Winners are selected based on the fund’s overall performance for the 2007 calendar year calculated according to Morningstar’s own quantitative and qualitative analysis of domestic open-ended equity funds.

The Global Wallet selects ten global currencies that offer relatively high interest from developed countries and equally allocates funds in the short term bond market across these individual countries. Its total net assets stand at approximately JPY 1,128 billion. The fund aims to provide steady dividends for investors on the declaration day of each month based mainly on income gains, including interest earned from the bonds in which it invests. Since its launch in December 2006 through December 2007, the fund has paid a total of JPY 610 in monthly dividends<sup>1</sup> and recorded a total rate of return of 10.19%<sup>2</sup>. Currently, it is for sale at 26 distributors nationwide.<sup>3</sup>

Nikko AM will continue its efforts to further improve the performance of the “Nikko Wallet of the World” aiming to achieve stable asset growth and monthly dividend payments.

1. Per 10,000 units, pre-tax

2. A theoretical fluctuation ratio calculated on the basis that dividends before tax are re-invested

3. All information in this document is current as of December 28, 2007

*Note: Please note that you cannot purchase any products mentioned in this press release if you are not a Japanese resident or if you hold nationality of a country where there are legal restrictions on their ownership. The information referred to in this press release is for Japanese residents only. The information provided is designed for use by Japanese residents only and should not be relied on by residents of any other jurisdiction.*

*Note: This rating is not indicative of the investment adviser's future performance*

## Nikko allet of the World

### Purchase Memo

Product Type	Open Equity Investment Trust /Fund of Funds /Automatic Distribution Reinvestment Plan	
Purchase Unit	Please contact your distributor or the fund manager for the investment unit.	
Purchase Price	NAV as of the business day immediately following the date of application	
Non-Purchase Day	Applications will not be accepted on holidays for the UK Stock Exchange, the New York Stock Exchange, and banks in London and New York. For more information, please contact your distributor.	
Trust Period	Until Oct. 12, 2016 (date of trust subscription: Dec. 15, 2006)	
Closing Date	The 12th day of each month (or the following business day if the 12th day falls on a holiday)	
Dividend Distribution	Every closing day, the fund manager will determine dividends for distribution, taking into consideration such factors as NAV, market conditions, etc. The fund manager may decide to withhold distribution if the distributable amount on closing day is inconsequential.	
Redemption Price	NAV as of the business day immediately following the date of application for redemption, less the exit charge.	
Non-Redemption Date	Applications for redemption will not be accepted on holidays for the UK Stock Exchange, the New York Stock Exchange, and banks in London and New York. For more information, please contact your distributor.	
Payment of Redemption Proceeds	In principle, the five business days from the date of application for redemption (or thereafter)	
Outline of Fees, etc.	The following fees and expenses are charged to investors	
	<Fees charged at the time of purchase and application for redemption (cancellation)>	
	Purchase Application Fees	The application fee will be determined by each distributor within the maximum rate of 2.10% (2.0% excluding tax) * No application fee will be charged with respect to the units to be acquired by reinvestment of profit distribution for the Dividend Reinvestment Course.
	Redemption (Cancellation) Fees	Not applicable
	Exit Charge	Not applicable
	<Fees and expenses charged indirectly as charges to trust assets (i.e. paid from the fund)>	
	Trust Fees	The effective trust fee is 0.93655% (0.90405% before tax) annually of total net asset value. The trust fee consists of 0.6825% (0.65% before tax) annually allocable to the fund and approximately 0.25405% annually allocable to foreign investment trusts included in the fund portfolio. The component allocable to foreign investment trusts is subject to change depending on total net asset value and foreign exchange rates. The effective trust fee ratio is therefore subject to change. Please refer to the investment trust's prospectus for details.
	Other expenses	Other expenses may include brokerage commission with respect to securities included in the portfolio, audit fees, interest on borrowing and advances, etc.
	* The rate or maximum amounts applicable to other fees and expenses cannot be indicated in advance because the actual amount will vary depending on the state of the assets managed. For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of application)	

### Trust Company and Other Related Companies

Trust Company	Nikko Asset Management Co., Ltd.
Trustee	Mitsubishi UFJ Trust and Banking Corp. (Sub-Trustee: The Master Trust Bank of Japan Ltd)
Distributor	Please check our website; <a href="http://www.nikkoam.com">http://www.nikkoam.com</a>

#### ■Risk Information

Since this Fund primarily invests in certificates of investment trusts that in turn invest in securities with price movements, such as bonds (securities denominated in a foreign currency are exposed also to foreign exchange risk), the NAV will fluctuate. Therefore, it is possible that the NAV falls below the amount of invested principal.

Also, please be advised that this Fund is exposed to risks including price volatility risk, liquidity risk, credit risk, foreign exchange rate risk.

#### **Notes to editors:**

##### **About Morningstar Award “Fund of the Year 2007”**

References to any specific securities do not constitute an offer to buy or sell securities. Those awarded funds based upon the past performance cannot guarantee their future performance. Data or statements are obtained from sources Morningstar Japan K.K. believed to be reliable but are not guaranteed as to accuracy or completeness.

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Taking every factor into consideration, Morningstar Japan K.K. has selected funds for “Morningstar Award Fund of the Year 2006” in Domestic Stock Fund, International Stock Fund and Bond Fund divisions from open-type stock investment trusts based upon its unique quantitative and qualitative analysis. Awarded funds in the bond fund division have been selected from 425 funds that have more than 1-year performance at the end of December 2007.

##### **About Nikko Asset Management and “Nikko AM”**

Registration Number:	Director of the Kanto Local Finance Bureau (Financial instruments firms) No.368
Member Associations:	The Investment Trusts Association Japan Securities Investment Advisers Association

Nikko AM<sup>1</sup> is a leading asset management group headquartered in Japan. Established over 45 years ago, Nikko Asset Management Co., Ltd. (“Nikko AM Tokyo”) has been offering investors a full array of investment management products and advisory services. Its investment trusts are distributed through a network of approximately 200 partner securities companies and banks. The firm offers investors access to both Nikko AM’s funds that invest mainly in Japanese equities, fixed income, and REITs and, through its third-party sub-advisory platform, “World Series” access to a global range of top-performing, independent asset managers over a diverse range of asset classes.

Nikko AM International Inc., our overseas office located in New York, provides a wide range of products lineup, under In-house management such as Global bond, and sub-advisory management, capitalizing on the excellent performance of external asset management firms.

In February 2005, Nikko AM’s expertise in asset management was recognized when Nikko AM Tokyo received the Lipper Award for Best Fund Group, based on its outstanding performance in three asset class categories: equity funds, fixed income funds and mixed asset funds. In April 2006, Nikko AM won Asian Investor’s Achievement Award in Japan Equity in the five year risk-adjusted performance category and won again in 2007, this time in the ten year risk-adjusted performance category.

Additionally, Nikko Alternative Asset Management, Inc. (“NAAM”), a Nikko AM company, provides alternative investments expertise and solutions to investors. NAAM provides investors access to internally developed products, as well as to external, individual hedge funds and fund of hedge funds, through its “AlphaPlus” line of products. NAAM’s alternative investments experience spans over a decade.

Nikko AM has assets totaling ¥12.9 trillion under management, at the end of September, 2007.<sup>2</sup> It offers approximately 230 public investment trusts, ranging from basic to innovative products, to meet the diversified needs of retail and institutional investors. Nikko AM<sup>1</sup> employs about 600 people in Tokyo, New York, London and Singapore.



For further information, please visit: <http://www.nikkoam.com/english/>

Note 1: "Nikko AM" stands for Nikko Asset Management Co., Ltd. and its group companies.

Note 2: Consolidated Nikko AM Tokyo and its overseas subsidiaries' assets under management (includes advised assets).