

Nikko AM launches first China A-Shares ETF on the TSE

~ Listed Index Fund China A Shares (Panda) CSI 300 ~

Tokyo, March 21, 2008 – Nikko Asset Management Co., Ltd. (Nikko AM) (Timothy F. McCarthy, Chairman and CEO) today announced that it will launch and begin management of a new exchange traded fund (ETF) called the Listed Index Fund China A Shares (Panda) CSI 300 (*Listed Panda*). Listing on the Tokyo Stock Exchange (TSE) is planned for April 11.

The Listed Index Fund China A Shares (Panda) CSI 300 is Nikko AM's first ETF invested in China A-shares to be listed on the TSE. The fund aims for price performance linked to the CSI 300 Index (yen-equivalent basis), targeting all issues traded on the Shanghai and Shenzhen stock exchanges. The Listed Index Fund China A Shares (Panda) CSI 300 is an innovative investment product, providing a comprehensive and convenient means to invest in the highly attractive China A-shares market. The minimum trading amount is approximately ¥50,000 (as of March 21, 2008).

The CSI 300 Index is China's leading benchmark for Chinese equities and was developed by China Securities Index Co., Ltd. (CSI). It is a capitalization weighted index calculated on the basis of free float-adjusted market value, composed of the top 300 China A-shares based on market value and liquidity listed on the Shanghai and Shenzhen exchanges. The China A-shares market holds the potential for mid-to-long term growth against a backdrop of solid economic expansion and the anticipated appreciation of the Chinese yuan.

Nikko AM has built a solid track record as an asset management company with clear strengths in Chinese equity investment. It currently manages a total of four investment funds targeting yuan-denominated bonds and equities (China A-shares). Nikko AM was approved as a Qualified Foreign Institutional Investor (QFII) by the China Securities Regulatory Commission (CSRC) in December 2003 and soon after began offering Japanese investors their first opportunity to invest directly in China A-shares in the form of the Nikko AM China A-Shares Fund/ Koga (Yellow River) Fund.

In offering Japanese investors the new Listed Index Fund China A Shares (Panda) CSI 300, Nikko AM is again responding to investors' call for easier, real-time diversified investment across a number of Chinese equity markets.

Nikko AM's ETF Fund Development

Nikko AM listed Japan's first ETF, the Nikko Exchange Traded Fund 225, in July 2001, and soon after launched the Nikko Exchange Traded Fund TOPIX in January 2002. On March 11, 2008, Nikko AM also listed Japan's first emerging equity market-linked ETF, the Listed Index Fund S&P Japan Emerging Equity 100.

As of April, Nikko AM will offer a lineup of seven ETFs - TOPIX 100 Japan Equity Large Cap, TOPIX Mid 400 Japan Equity Mid Cap, and TOPIX Small Japan Equity Small Cap funds to list March 24, 2008 and the Listed Index Fund China A-Shares (Panda) CSI 300 to list April 11, 2008.

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.

■Listed Index Fund China A Shares (Panda) CSI 300

Product Type	Open-ended type investment trust / Fund of Funds	
Listed Exchange	Tokyo Stock Exchange	
Trading unit	10 units *Please contact the offering company for details	
Trust Period	Unlimited (Launch date: April 7, 2008)	
Closing Date	January 20 of each year	
Dividends	In principle, all revenue from dividends, etc. arising from the trust assets will be paid as dividends on the last day of the fiscal year after deducting expenses, etc.	
Overview of Fees, etc.	The following fees and expenses are charged to investors:	
	<Fees collected at the time of trading>	
	Trading fee	As stipulated by the distributor. * Please contact the distributor for details.
	<Costs paid indirectly by the customer for the trust assets (paid from the fund)>	
	Trust Fee	The real trust fee is calculated by multiplying the total net asset value by around 0.9975% per annum (0.95% excluding tax). In addition, if the investment trusts (including the mother fund) targeted for investment lend marketable securities, we will charge a portion of such securities lending fees as a trust fee. The breakdown of the trust fee rate is as follows: the fund's trust fee rate is 0.21% per annum (0.20% excluding tax) and the trust fee rate for incorporating investment trusts targeted for investment is around 0.7875% (0.75% excluding tax). * The real trust fee rate (the annual rate) payable by the beneficiaries will change depending on factors including the fund's weighting in investment trusts targeted for investment.
	Other fees/costs	Broker's fees for trading in incorporated securities, audit costs, interest due on debts payable, interest on advances, costs of listing beneficiary rights, trademark fees, etc.
* We cannot provide prior information on rates, maximum amounts, etc. for other costs because they will vary depending on investment performance and other factors. * We cannot provide prior information on total fees and costs charged by the Fund because the holding period, etc., will vary depending on the investor.		

<Risk Information>

The fund primarily invests in investment trusts, and as the investment trusts targeted for investment mainly invest in securities with price movements, such as equities (securities denominated in a foreign currency are also exposed to foreign exchange risk), its net asset value will fluctuate. In particular, the prices of Chinese equities targeted for investment tend to be more volatile than equities in advanced countries. Consequently, the price fluctuations of these equities may have a significant impact on the net asset value, and it is possible that the net asset value may fall below the principal.

The principal factors that cause the Fund's NAV to fluctuate are as follows:

[Price fluctuation risk][Liquidity risk][Credit risk][Foreign currency risk][Risk of remittance delay]
[Taxation risk][Country risk][Risk associated with relevant laws][Systems and restrictions surrounding the securities market][Risk involved in lending of securities, etc.]

- In accordance with the provisions of Article 5 of the Financial Instruments and Exchange Law, Nikko AM submitted a security registration statement to the Head of the Kanto Local Finance Bureau on March 21, 2008 and it will become effective as of April 6, 2008. The content of the statement may be subject to change before

becoming effective.

- Any profit or loss derived from management of investment trusts belongs to all the beneficiaries. Please read the related contract prior to purchasing the funds.
- The Listed Index Fund China A Shares (Panda) CSI 300 aims to equate the volatility of NAV with CSI 300, but Nikko AM is not able to guarantee that the fund's performance will correspond with that of the CSI 300.

Comprehensive Risk Information on Mutual Funds

- ✓ Investment trusts invest in assets whose prices fluctuate (foreign currency-denominated assets contain exchange rate risk as well), so the NAV will fluctuate accordingly. It is possible that the NAV will fall below your original investment.
- ✓ Different investment trusts invest in different asset classes, markets, and countries, and contain different investment restrictions, so the details of their risks differ accordingly.

■ Overview of fees, etc.

Customers will be responsible for the following costs:

Fees collected at subscription and redemption:

Subscription fee	Maximum 3.675% (3.5% before tax)
Redemption fee	Maximum 1.05% (1.0% before tax)
Amount reserved for trust assets	Maximum 1.0%
Switching fee	Maximum 0.21% (0.2% before tax)
-Costs paid indirectly by the customer for the trust assets (paid from the fund)	
Trust Fees	Maximum 2.9975% (2.95% before tax)

Some funds charge a performance fee based on investment performance, etc.

Other costs Brokerage fees for trading of incorporated securities, audit costs, interest due on debts payable, interest on advances, etc. * We cannot provide prior information on rates, maximum amounts, etc. for other costs because they will vary depending on investment performance and other factors. Please see the prospectus for details.

-Disclaimer

- Fees, etc. listed are the highest rates charged for fees, etc. collected on the investment trusts managed by Nikko Asset Management. (Current as of September 30, 2007)
- The risk information and fees, etc. listed above are listed based on a general investment trust. Actual fees will vary for each specific investment trust. For details, please refer to the investment trust's prospectus.

<Other matters to consider>

- These materials were produced for the sole purpose of providing information the services, etc. offered by Nikko Asset Management.
- Unlike bank deposits or insurance policies, investment trusts are not protected by the Deposit Insurance Corporation or the insurance policy holders protection corporations. Nor are investment trusts protected by investor protection funds when purchased at banks or other registered financial institutions.
- Profits and losses made by the management of investment trusts all belong to the beneficiaries. The distributor will provide you with a prospectus either before or when you submit your application to this Fund, so please make the decision to invest carefully after taking the time to read the contents in detail.

Copyrights in Indices

Nikkei Stock Average (Nikkei 225)

- The Nikkei Stock Average is a copyrighted work calculated by a proprietary method of Nikkei Inc. Nikkei owns copyrights and any other intellectual property rights subsisting in the Nikkei Stock Average itself and the method to calculate the Nikkei Stock Average.
- Nikkei owns any and all rights to trademarks and any other intellectual property rights to such marks referring to Nikkei or the Nikkei Stock Average.
- This Fund shall be managed under the responsibilities of the relevant investment trust management companies and other participants. Nikkei and Nikkei Digital Media Inc. shall not be liable for management of this Fund and any other transactions of this Fund.
- Nikkei and Nikkei Digital Media shall not be obligated to continuously publish the Nikkei Stock Average. Nikkei and Nikkei Digital Media shall not be liable for any error, delay or discontinuance of publication of the Nikkei Stock Average.
- Nikkei shall have the rights to make any changes in the composition of stocks, calculation method and any other elements or contents of the Nikkei Stock Average. Nikkei shall also have the right to discontinue publishing the

Nikkei Stock Average.

TOPIX

- The TOPIX Index Value and the TOPIX trademarks are intellectual property rights owned by the Tokyo Stock Exchange, Inc. All rights relating to the TOPIX, including calculation, publication and use of the TOPIX Index Value as well as those relating to the TOPIX trademarks belong to the Tokyo Stock Exchange.
- The Tokyo Stock Exchange reserves the rights to change the methods of calculation or publication, to cease the calculation or publication of the TOPIX Index Value or to change the TOPIX trademarks or cease the use thereof.
- The Tokyo Stock Exchange makes no warranty or representation as to the results derived from the use of the TOPIX trademarks.
- The Tokyo Stock Exchange does not guarantee the accuracy or completeness of the TOPIX Index Value and data contained therein. Further, the Tokyo Stock Exchange shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Index Value.
- This Fund is not in any way sponsored, endorsed or promoted by the Tokyo Stock Exchange. The Tokyo Stock Exchange does not bear any obligation to give an explanation of this Fund or advice on investments to any purchaser of this Fund or to the public.
- Including but not limited to the foregoing, the Tokyo Stock Exchange shall not be responsible for any damage resulting from the issue and sale of this Fund.

TOPIX 100

- The TOPIX 100 Index Value and the TOPIX 100 trademarks are intellectual property rights owned by the Tokyo Stock Exchange, Inc. All rights relating to the TOPIX 100, including calculation, publication and use of the TOPIX 100 Index Value as well as those relating to the TOPIX 100 trademarks belong to the Tokyo Stock Exchange.
- The Tokyo Stock Exchange reserves the rights to change the methods of calculation or publication, to cease the calculation or publication of the TOPIX 100 Index Value or to change the TOPIX 100 trademarks or cease the use thereof.
- The Tokyo Stock Exchange makes no warranty or representation as to the results derived from the use of the TOPIX 100 trademarks.
- The Tokyo Stock Exchange does not guarantee the accuracy or completeness of the TOPIX 100 Index Value and data contained therein. Further, the Tokyo Stock Exchange shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX 100 Index Value.
- There is a possibility that the net asset value of this Fund may substantially deviate from the TOPIX 100 although the investment objective of this Fund is to seek investment results that generally correspond to the TOPIX 100 Index Value.
- This Fund is not in any way sponsored, endorsed or promoted by the Tokyo Stock Exchange. The Tokyo Stock Exchange does not bear any obligation to give an explanation of this Fund or advice on investments to any purchaser of this Fund or to the public.
- Including but not limited to the foregoing, the Tokyo Stock Exchange shall not be responsible for any damage resulting from the issue and sale of this Fund.

TOPIX Mid400

- The TOPIX Mid400 Index Value and the TOPIX Mid400 trademarks are intellectual property rights owned by the Tokyo Stock Exchange, Inc. All rights relating to the TOPIX Mid400, including calculation, publication and use of the TOPIX Mid400 Index Value as well as those relating to the TOPIX Mid400 trademarks belong to the Tokyo Stock Exchange.
- The Tokyo Stock Exchange reserves the rights to change the methods of calculation or publication, to cease the calculation or publication of the TOPIX Mid400 Index Value or to change the TOPIX Mid400 trademarks or cease the use thereof.
- The Tokyo Stock Exchange makes no warranty or representation as to the results derived from the use of the TOPIX Mid400 trademarks.
- The Tokyo Stock Exchange does not guarantee the accuracy or completeness of the TOPIX Mid400 Index Value and data contained therein. Further, the Tokyo Stock Exchange shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Mid400 Index Value.
- This Fund is not in any way sponsored, endorsed or promoted by the Tokyo Stock Exchange. The Tokyo Stock Exchange does not bear any obligation to give an explanation of this Fund or advice on investments to any

purchaser of this Fund or to the public.

- Including but not limited to the foregoing, the Tokyo Stock Exchange shall not be responsible for any damage resulting from the issue and sale of this Fund.

TOPIX Small

- The TOPIX Small Index Value and the TOPIX Small trademarks are intellectual property rights owned by the Tokyo Stock Exchange, Inc. All rights relating to the TOPIX Small, including calculation, publication and use of the TOPIX Small Index Value as well as those relating to the TOPIX Small trademarks belong to the Tokyo Stock Exchange.
- The Tokyo Stock Exchange reserves the rights to change the methods of calculation or publication, to cease the calculation or publication of the TOPIX Small Index Value or to change the TOPIX Small trademarks or cease the use thereof.
- The Tokyo Stock Exchange makes no warranty or representation as to the results derived from the use of the TOPIX Small trademarks.
- The Tokyo Stock Exchange does not guarantee the accuracy or completeness of the TOPIX Small Index Value and data contained therein. Further, the Tokyo Stock Exchange shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Small Index Value.
- This Fund is not in any way sponsored, endorsed or promoted by the Tokyo Stock Exchange. The Tokyo Stock Exchange does not bear any obligation to give an explanation of this Fund or advice on investments to any purchaser of this Fund or to the public.
- Including but not limited to the foregoing, the Tokyo Stock Exchange shall not be responsible for any damage resulting from the issue and sale of this Fund.

S&P Japan Emerging Stock 100 Index

Standard & Poor's® and S&P® are registered trademarks of the McGraw-Hill Companies, and Nikko Asset Management Co., Ltd. uses them under license. Standard & Poor's does not in any way endorse, recommend, market, or promote the Listed Index Fund S&P Japan Emerging Equity 100 (this Product), and does not in any way express, guarantee, or condition the investment suitability of this Product.

Standard & Poor's and its related companies (S&P) do not in any way endorse, guarantee, market, or promote this Product. S&P does not in any way explicitly or implicitly express, condition, or guarantee investment in securities as a whole or this Product, or the ability of the S&P Japan Emerging Stock 100 Index to follow the performance of the relevant market as a whole for the owners of this Product or the general public. S&P and Nikko Asset Management are related only in that S&P grants Nikko Asset Management the license to use the registered trademarks for S&P and the S&P Japan Emerging Stock 100 Index. S&P does not take into account requests from Nikko Asset Management or the owners of this Product in its decision, creation or calculation relating to the S&P Japan Emerging Stock 100 Index. S&P shall not be liable for or involved in the decision on the timing or price relating to the trading of this Product, or the decision on or calculation of the formula for converting this Product to cash. S&P shall not bear any obligation for the management, marketing, or transactions of this Product or bear any responsibility for such activities.

S&P does not guarantee the correctness or completeness of the calculation of the S&P Japan Emerging Stock 100 Index or its source data. S&P shall not be liable for any error, omission, or failure included in the S&P Japan Emerging Stock 100 Index. S&P does not in any way, explicitly or implicitly, make any guarantee to Nikko Asset Management, the owners of this Product, or other people or organizations with regard to results arising from the use of the S&P Japan Emerging Stock 100 Index or data contained in it. S&P clearly expresses that it does not in any way guarantee the merchantability or suitability of the S&P Japan Emerging Stock 100 Index and data contained in it, and does not explicitly or implicitly make any guarantee related to the same. Including but not limited to the foregoing, S&P shall not be responsible for any particular, penal, indirect, or resulting damage (including loss of profits) even if S&P is informed of such possibilities in advance.

The CSI300 Index

The CSI Index is calculated by China Securities Index Co., Ltd (CSI). CSI and the Shanghai and Shenzhen stock exchanges will take all the necessary measures to ensure the accuracy of the CSI 300 Index. However, CSI and the Shanghai and Shenzhen stock exchanges, regardless of negligence, will not assume any responsibility for errors nor assume responsibility to publicize errors related to CSI 300. All copyrights, including the value of the index and the shares incorporated in the Index, belong to CSI.

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 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, 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 ¥12.8 trillion under management, at the end of December, 2007.² It offers approximately 230 public investment trusts, ranging from basic to innovative, to meet the diversified needs of retail and institutional investors. Nikko AM¹ employs over 550 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).