

1343

# NEXT FUNDS Tokyo Stock Exchange REIT Index Exchange Traded Fund

(Open-ended Investment Trust, Domestic, REIT, ETF, Index Type)

NOMURA

NEXT FUNDS

Monthly Report  
as of Oct-31-2023

## Objective of the Fund

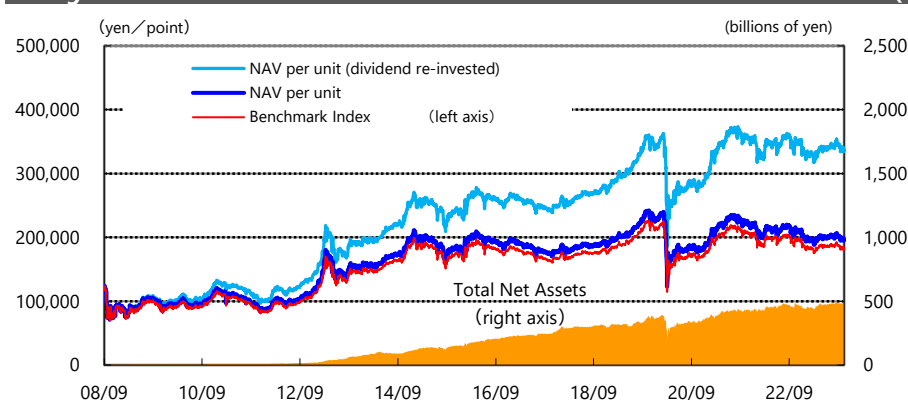
The Fund's objective is to track the investment performance of its benchmark index, the Tokyo Stock Exchange REIT Index. Therefore, the Fund's NAV volatility is designed to correspond with that of the benchmark index.

## Tokyo Stock Exchange REIT Index

The Tokyo Stock Exchange REIT Index is a free-float adjusted market capitalization-weighted index based on all REITs (Real Estate Investment Trusts) listed on Tokyo Stock Exchange. It indicates current level of market capitalization compared to the base point (1,000 pts) on the base date (March 31st, 2003).

## Performance History

### Change in NAV (Daily)



Return	1 month	3 months	6 months	1 year	3 years	Since Incep.
<b>NAV per unit (Dividend re-invested)</b>	-2.1%	-2.2%	-1.1%	-4.3%	23.9%	178.2%

(Since inception of 9/17/2008)

\*Value of the benchmark index is converted based on the NAV of 121,043 on the inception date.

\*The price movement and return rate of the NAV (dividend re-invested) is calculated based on the Fund value after deduction of the management fee, and based on the assumption that the dividends before taxes are re-invested. Therefore, the actual performance of the Fund will vary depending upon the tax status of the investor. Also, expenses and taxes when liquidating the Fund are not considered.

\*For each calculation period of the return rate, last business day of the month is used.

## Fund Composition

Asset Allocation by Type of REIT	(% of NAV)
Composite/ Comprehensive	45.9%
Specialized(Office)	20.2%
Specialized(Logistics)	13.5%
Specialized(Residential)	7.2%
Specialized(Logistics, etc.)	3.6%
Other REIT Assets	8.0%
Other Assets	1.6%
<b>Total</b>	<b>100.0%</b>

Asset Allocation	
REITs	98.4%
Other Assets	1.6%
(REIT Index Futures)	1.6%

Portfolio Characteristics	
Dividend Yield (Annually)	4.2%

\*Dividend yield is calculated by calculating the weighted average of the dividend yield of the constituent REITs using the incorporation ratio (pre-taxed, on an actual dividend base).

Number of Holdings : 58

Top 10 Holdings	Sector	(% of NAV)
Nippon Building Fund Inc.	Specialized(Office)	6.7%
Japan Real Estate Investment Corporation	Specialized(Office)	5.5%
Nomura Real Estate Master Fund, Inc.	Composite/ Comprehensive(Office / Residential, etc.)	5.1%
Nippon Prologis REIT, Inc.	Specialized(Logistics)	4.5%
Japan Metropolitan Fund Investment Corporation	Composite/ Comprehensive(Retail / Office, etc.)	4.4%
GLP J-REIT	Specialized(Logistics)	4.4%
Kenedix Office Investment Corporation	Specialized(Office)	4.3%
Daiwa House REIT Investment Corporation	Composite/ Comprehensive(Logistics / Office etc.)	3.8%
ORIX JREIT Inc.	Composite/ Comprehensive(Office / Retail, etc.)	3.3%
United Urban Investment Corporation	Composite/ Comprehensive(Office / Retail etc.)	3.2%
<b>Total</b>		<b>45.3%</b>

\*Sector references are based on the TSE 33 Sector Classification.

Please read the "Notifications" on the following page when utilizing this material.

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## Fund Profile

<b>Inception Date :</b>	Sep-17-2008
<b>Listing Date :</b>	Sep-18-2008
<b>Stock Exchange :</b>	TOKYO
<b>Trust Term :</b>	Unspecified
<b>Board Lot :</b>	10 units
<b>Fiscal year end :</b>	Feb-10, May-10, Aug-10, Nov-10
<b>Bloomberg (iNAV) :</b>	1343 JP <Equity> 1343IV <Index>
<b>ISIN :</b>	JP3047010008
<b>SEDOL :</b>	B3CW554
<b>PCF :</b>	Available

## Total Net Assets

¥482.1 bil.

## NAV per 100 Units

¥196,539

## Dividend (before Tax, per 100 units)

Aug-2023	¥1,830
May-2023	¥1,960
Feb-2023	¥1,790
Nov-2022	¥1,880
Aug-2022	¥1,720
<b>Since Inception</b>	<b>¥85,450</b>

\*The dividend amount paid does not suggest or guarantee the future level of dividends.

\*As a general rule, the full amount of dividends and other income arising from the trust assets are distributed after deduction of expenses. However, the amount of dividends that are payable may in some circumstances amount to zero. Even if any profits are realized from the sale of individual stocks, no dividends shall be paid.

## Investment Risks

Because this Fund invests in REIT securities that are included or are due to be included in the Tokyo Stock Exchange REIT Index, the NAV of the Fund can fall, influenced by factors such as drops in the constituent REIT price, default or a material deterioration in financial conditions of those constituent issuers, and other market factors, etc. Investment principal is therefore not guaranteed, and investors may incur a loss because of a drop in the market price or the NAV. The investment trust is therefore different from a savings deposit.

※ For further information, please refer to the "Investment Risks" section of the summary prospectus. The prospectus is available on our website.

## Commissions and Fees Related to the Fund

### Direct Expenses

(Expenses borne directly when dealing through the stock exchange)

#### Trading Fee :

Trading of the Fund incurs brokerage commission fees set by a first financial instruments business provider (securities firm) that handles the transaction.

(Expenses borne directly for creation or exchange of units)

**Creation Fee :** Set independently by the distributing company

**Redemption Fee (Amount to be Retained in Trust Assets) :** None

**Exchange Fee :** Set independently by the distributing company

\*Trading fee, creation fee, and exchange fee above vary depending on the setting of the distributing companies, so details of rates and upper limits cannot be provided ahead of time.

### Indirect Expenses Paid out of Trust Assets

#### Management Fee :

Total amount of the Management Fee is the sum of the following two items: (i)The amount obtained by multiplying the daily total net assets of the Fund by the rate, within 0.1705% per annum (0.155% per annum exclusive of taxes) (0.1705% per annum (0.155% exclusive of taxes) as of October 30, 2023), (ii)When the Fund lends REITs, an amount obtained from no more than 44% of the rental fee which accrues on a daily basis (40% exclusive of taxes).

\*The fee amount of REIT securities in which the Fund invests, however, is not indicated here because the securities are determined through supply and demand in the market.

#### Other Fees and Commissions :

##### Annual Fees for Use of Trademarks Pertaining to the Benchmark Index (as of October 30, 2023)

A percentage of not more than 0.033% (0.03% exclusive of taxes) of the Fund's total net assets (however, if this amount is less than 1.5 million yen exclusive of taxes, then the fee will be set at 1,650,000 yen[1.5 million yen exclusive of taxes]).

##### Expenses Pertaining to Listing of the Fund (as of October 30, 2023)

•Additional listing fee: 0.00825% (0.0075% exclusive of taxes) of the amount of increase in value of the Fund's total net asset value at the end of the year as compared with the larger of i) the total net asset value at the time of the initial listing; or ii) the largest of the total net asset values at the end of each subsequent year up to the year immediately prior to the fee payment year.

•Annual listing fee: Maximum of 0.00825% (0.0075% exclusive of taxes) of the total net assets at year-end.

##### Brokerage Commission on Transactions in Portfolio Securities, Costs Paid to Auditors for Fund Audits, Tax Related to the Fund, etc.

\* These expenses and fees above are paid out of the trust assets when they are incurred.

(These expenses and fees vary according to management and other conditions, so details of rates and upper limits cannot be provided ahead of time.)

\* Total fees and other expenses will vary according to how long an investor holds the Fund, so they cannot be estimated ahead of time. For further details, please refer to the "Fund Expenses and Taxes" section of the summary prospectus.

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**Management Company : Nomura Asset Management Co., Ltd.**

( The party who instructs the management of the Fund )

**Trustee : The Nomura Trust and Banking Co., Ltd.**

( The party who acts as a custodian and administrator )

#### Notifications

The Fund invests in securities for which prices may fluctuate (in the case of foreign assets, the Fund may also involve foreign exchange risk), therefore the NAV may fluctuate. The investor's principal is therefore not guaranteed. All profits and losses arising from the management of the fund are attributable to the investor. Furthermore, all statements, figures, graphs, and other information included in this report are as of the date of this report and the contents of this report are not intended in any way to indicate or guarantee future investment results. This report was prepared by Nomura Asset Management Co.,Ltd. for information purposes only. Investors wishing to subscribe to the creation of the Fund units, should please make sure that they have read and understood the contents of the prospectus and make an appropriate decision based on their own circumstances.

Launched and managed by

**NOMURA**  
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