

# Tokio Marine Japanese Equity Focus Fund

Monthly Report – May 2011



## Fund Manager



Akira Sato

## Objective

The objective of the Fund is to achieve long-term capital growth over TOPIX Total Return Index by investing in a concentrated, high-conviction portfolio of stocks, focusing on companies' 3-5 year earnings growth.

## Fund Details

**Launch Date**  
31 August 2010

**Month-end Fund Size**  
JPY 1,955 million

**Base Currency**  
JPY

**Benchmark**  
TOPIX Total Return Index

**Sector**  
Japanese Equity

**Number of Holdings**  
32 (As at month-end)

**Domicile / Legal Structure**  
Ireland, OEIC (UCITS)

**Liquidity**  
Daily

## Holdings Information as at month-end

### Top 10 Holdings (43.60% of portfolio)

Ticker	Name	Fund	Benchmark
8031	MITSUI & CO LTD	5.50	1.04
8591	ORIX CORP	4.87	0.35
6594	NIDEC CORP	4.85	0.32
7259	AISIN SEIKI CO LTD	4.70	0.22
1878	DAITO TRUST CONSTRUCT CO LTD	4.44	0.26
3402	TORAY INDUSTRIES INC	4.30	0.44
6501	HITACHI LTD	4.05	0.92
8309	SUMITOMO MITSUI TRUST HOLDINGS	3.68	0.47
5947	RINNAI CORP	3.65	0.08
4543	TERUMO CORP	3.54	0.32

## Commentary and Outlook

### Market Review

The Japanese equity market moved in a range throughout the month of May. At the beginning of the month, the market exhibited a strong uptrend due to declining crude oil prices which resulted from the announcement that the FRB will close the Quantitative Easing 2 (QE2) by the end of June. After the middle of May, continued concerns about European sovereign debt and the slowdown of the Chinese economy put downward pressure on the market. TOPIX Total Return Index lost 16.90 points through the month (or 1.56%).

### Performance Review

The Fund outperformed the TOPIX Total Return Index by 2.23%. Companies with mid and long growth potential such as Yamada Denki (9831) and Aishin Seiki(7259) and JGC(1963) contributed positively since investors were concerned about the negative effect of the earthquake, tsunami and the uncertainty over the economy. However, companies that are sensitive to economic trends such as Mitsubishi Materials(5711) and Tokyo Steel(5423) detracted from performance.

### Outlook and Investment Strategy

The recovery of the production of Japanese companies seems to exceed original expectations, and corporate earnings seem to be moving sideways in 2011. We expect that many companies will remain undervalued for a while. Considering the current political turbulence in Japan and the fear of a slowdown of global economic growth, we expect that stock prices may be held down at a certain level. We continuously focus on investment opportunities in companies which have mid and long growth potential. Also we will place emphasis on the stocks which we think are relatively undervalued since there are far fewer concerns over earnings.

## Investment Information

**Target Alpha**  
5.0 %

**Target Tracking Error**  
5 - 10%  
(Target Information ratio 0.5 - 1.0)

## Share information

**Annual management charge**  
0.75%\* (reduced to 0.65% through the end of December 2011)

**Min. initial investment**  
JPY 100,000,000  
GBP 1,000,000  
EUR 1,000,000  
USD 1,000,000

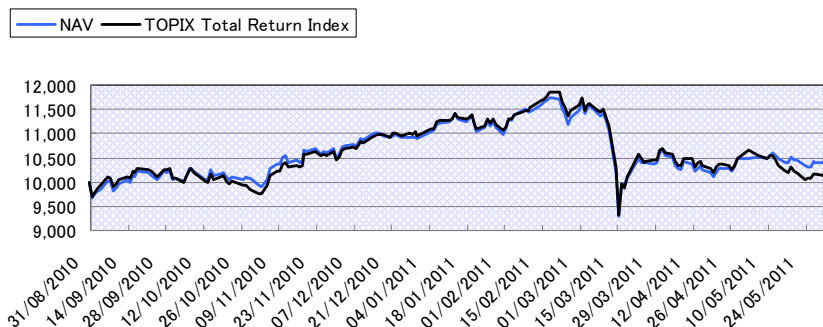
\*Annual management charge refers to combined investment management fee and distributor fee. Please see the prospectus or contact the distributor for fund fee structure details.

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## Fund Performance Chart in JPY



Past performance is not a guide to future performance

## Fund Performance in JPY

Past Performance

	1-month	3-month	6-month	Since Inception (pa)	Mar	Apr	May
Fund	0.67%	-7.95%	0.59%	7.56%	-7.08%	-1.59%	0.67%
Benchmark	-1.56%	-10.89%	-1.41%	4.27%	-7.61%	-2.01%	-1.56%
Diff	2.23%	2.94%	2.00%	3.28%	0.53%	0.42%	2.23%

Past performance is not a guide to future performance

Positive Contributors	Negative Contributors
1 YAMADA DENKI CO LTD	1 MITSUBISHI MATERIALS CORP
2 AISIN SEIKI CO LTD	2 TOKYO STEEL MFG CO LTD
3 JGC CORP	3 OMRON CORP
4 RINNAI CORP	4 PARK24 CO LTD
5 NIDEC CORP	5 AEON CREDIT SERVICE CO LTD

## Contact Information

For further information regarding the Tokio Marine Japanese Equity Focus Fund, please contact Tokio Marine Asset Management (London) Limited.

General Enquiries: +44 (0)20 7398 2976, [focus@tokiomarine.co.uk](mailto:focus@tokiomarine.co.uk)

Financial Institutions: David O'Keeffe; +44 (0)20 7398 3175, [dokeeffe@tokiomarine.co.uk](mailto:dokeeffe@tokiomarine.co.uk)

Pension Funds & Consultants: Jonathan Taylor; +44 (0)20 7398 3190, [jtaylor@tokiomarine.co.uk](mailto:jtaylor@tokiomarine.co.uk)

Marketing & PR: Ichiro Kurimoto; +44 (0)20 7398 2955, [ichiro.kurimoto@tokiomarine.co.uk](mailto:ichiro.kurimoto@tokiomarine.co.uk)

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## NAV Information

Month end NAV	
Class USD-CAP	110.01
Class EUR-CAP	97.20
Class GBP-CAP	103.91
Class JPY-CAP	10,562.00
Class USD-DIS	110.01
Class GBP-DIS	103.91

\*FX rate is WM Reuter as at month-end

## Fund Codes

### ISIN

Class USD-CAP	IE00B4L8RV03
Class EUR-CAP	IE00B3ZYDS66
Class GBP-CAP	IE00B40CXD70
Class JPY-CAP	IE00B4K73651
Class USD-DIS	IE00B41ZDS04
Class GBP-DIS	IE00B4K4TH96

## Key Information

### Investment Manager:

Tokio Marine Asset Management Co., Ltd

### Administrator:

Daiwa Europe Fund Managers Ireland Limited

### Custodian:

Daiwa Europe Trustees Ireland Limited