

RS Investments Selected to Sub-advise Japanese Publicly Offered Investment Trust, "American Idol" as a Sub-Investment Manager

The First Mandate from Resona Group, Second Mandate from Daiwa SB Investments Ltd. :
US Mid/Small-Cap Growth Stock

SAN FRANCISCO, January 29 - RS Investments (RSIM), a San Francisco-based investment management firm, today announced that the firm has begun managing the investments for the publicly offered investment trust "U.S. Innovation Fund (American Idol)" as sub-investment manager. Launched by Daiwa SB Investments Ltd. and distributed by Resona Bank, Limited, Saitama Resona Bank, Limited, and the Kinki Osaka Bank, Ltd., the portfolio is constructed of US Mid/Small-Cap Growth companies.

This new fund will be managed by RSIM's Growth Team, composed of a group of eight specialists conducting research and analyses to promptly discover attractive emerging sectors capitalizing on its strong connections with US Mid/Small-Cap Growth companies, many of which reside in the Silicon Valley. Investments will be made, based on thorough bottom-up research backed by fundamental analyses derived from more than 2,000 company visits and meetings with firms annually, by carefully selected promising US Mid/Small-Cap Growth companies (idols) that have yet drawn attention in the market but will bring about innovation to open up the future not only in the field of information technology but also in various other fields. (*1)

Phil Eichinger, head of distribution at RSIM commented, "We are honored to be selected as sub-investment manager by Daiwa SB Investments Ltd. once again, and to be acknowledged by Resona Group, one of Japan's most prominent, leading financial institutions, for our investments in US Mid/Small-Cap Growth companies, in which the Company has a long track record and takes pride. We hope this fund will lead to the establishment of a good relationship with the two firms."

Bayview Asset Management, an independent Japanese asset management firm that has collaborated with RSIM since its founding, will provide support in Japan on behalf of RSIM.

It is the second adoption of RSIM's investment strategy by Daiwa SB Investments Ltd. following the "Twin Accel" Fund launched in August 2010 and redeemed ahead of schedule in May 2013 when the net asset value rose 50 percent.

*1 As for Japanese publicly offered investment trusts managed by RSIM's Growth Team, the American Dream Fund (launched in 2007, Shinsei Investment Management), the American New Stage Open (launched in 2011, Mitsubishi UFJ Asset Management), the Nomura the USA (launched in 2013, Nomura Asset Management), TMA US Growing Equity Fund (Growing America) (launched in 2013, Tokio Marine Asset Management) are currently open in Japan, and their exclusive growth investment strategy and excellent performance have earned a solid reputation.

About RS Investments

RS Investments offers various investment management solutions for institutional and individual investors as well as investment advisors. The firm's specialized investment platform supports highly experienced investment teams, each utilizing thorough bottom-up research driven, disciplined investment processes to manage U.S. value and growth stocks, global equities, natural resource stocks as well as bonds. As of December 31, 2015, RS Investments managed approximately \$17.7 billion on behalf of its clients. The firm, founded in 1986, is headquartered in San Francisco with offices in Des Moines, Iowa, Villanova, Pennsylvania, Hong Kong, and Singapore. For details, please refer to the firm's website (<http://www.rsinvestments.com/>)

This article is for illustrative purpose only, and should not be constructed as a recommendation to purchase or sell any security or to adopt any investment strategy. Investing in small and mid-size companies can involve risks such as having less publicly available information, higher volatility, and less liquidity than in the case of larger companies. Investing in a more limited number of issuers and sectors can be subject to greater market fluctuation. Overweighting investments in certain sectors or industries increases the risk of loss due to general declines in the prices of stocks in those sectors or industries. Foreign securities are subject to political, regulatory, economic, and exchange-rate risks not present in domestic investments.