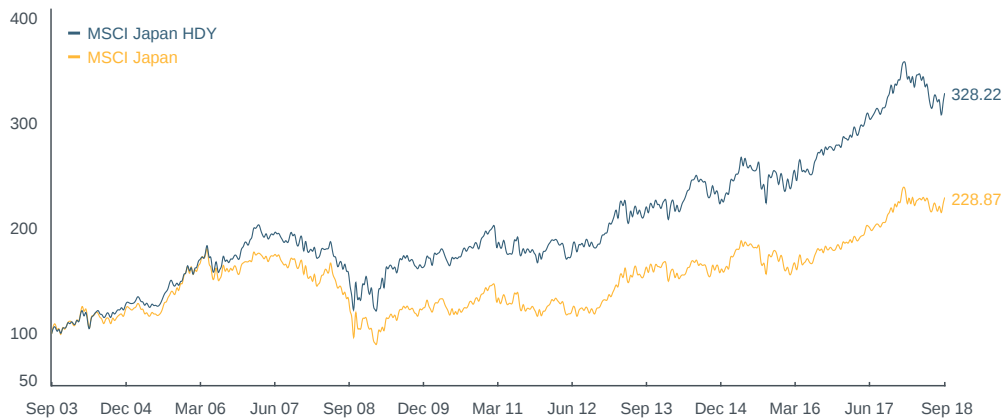


# MSCI JAPAN HIGH DIVIDEND YIELD INDEX (USD)

The MSCI Japan High Dividend Yield Index is based on the MSCI Japan Index, its parent index, and includes large and mid cap stocks. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent. The index also applies quality screens and reviews 12-month past performance to omit stocks with potentially deteriorating fundamentals that could force them to cut or reduce dividends.

## CUMULATIVE INDEX PERFORMANCE - GROSS RETURNS (USD) (SEP 2003 – SEP 2018)



## ANNUAL PERFORMANCE (%)

Year	MSCI Japan HDY	MSCI Japan
2017	23.14	24.39
2016	9.59	2.73
2015	11.89	9.90
2014	1.40	-3.72
2013	16.61	27.35
2012	8.46	8.36
2011	-9.40	-14.19
2010	21.93	15.59
2009	9.23	6.39
2008	-20.30	-29.11
2007	-1.74	-4.14
2006	18.66	6.33
2005	21.30	25.63
2004	20.87	15.95

## INDEX PERFORMANCE — GROSS RETURNS (%) (SEP 28, 2018)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since Jun 30, 1994
MSCI Japan HDY	2.28	1.38	3.12	-4.04	12.67	8.35	8.26	3.98
MSCI Japan	3.17	3.81	10.57	1.89	12.51	7.11	6.21	1.29

## FUNDAMENTALS (SEP 28, 2018)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.57	10.61	10.35	1.30
2.08	14.12	13.51	1.42

## INDEX RISK AND RETURN CHARACTERISTICS (JUN 01, 1994 – SEP 28, 2018)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Jun 01, 1994	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI Japan HDY	0.80	8.55	28.66	10.67	10.67	13.54	1.08	0.74	0.61	0.15	44.84	2007-02-27—2009-03-10
MSCI Japan	1.00	0.00	2.85	11.06	10.97	14.80	1.03	0.62	0.45	0.00	60.35	2000-03-31—2003-04-28

<sup>1</sup> Last 12 months      <sup>2</sup> Based on monthly gross returns data      <sup>3</sup> Based on ICE LIBOR 1M

The MSCI Japan High Dividend Yield Index was launched on Jan 16, 2012. Data prior to the launch date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance -- whether actual or back-tested -- is no indication or guarantee of future performance.

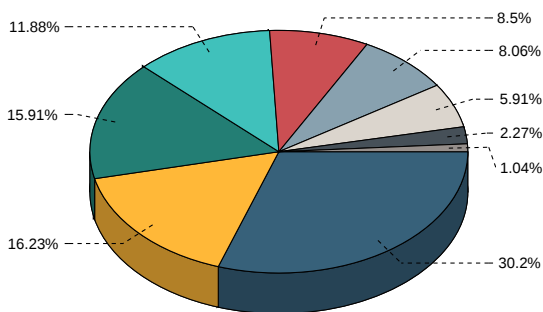
## INDEX CHARACTERISTICS

	MSCI Japan HDY	MSCI Japan
Number of Constituents	38	322
<b>Weight (%)</b>		
Largest	5.46	4.02
Smallest	0.45	0.02
Average	2.63	0.31
Median	2.16	0.16

## TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
NTT DOCOMO	5.46	1.00	Telecom Srvc
KDDI	5.41	1.38	Telecom Srvc
JAPAN TOBACCO	5.16	0.81	Cons Staples
ITOCHU CORP	5.07	0.73	Industrials
NTT CORP	5.04	0.88	Telecom Srvc
CANON INC	4.93	0.90	Info Tech
TOYOTA MOTOR CORP	4.88	4.02	Cons Discr
BRIDGESTONE CORP	4.87	0.65	Cons Discr
HONDA MOTOR CO	4.85	1.39	Cons Discr
NISSAN MOTOR CO	4.83	0.61	Cons Discr
<b>Total</b>	<b>50.49</b>	<b>12.38</b>	

## SECTOR WEIGHTS



- Consumer Discretionary 30.2%
- Industrials 16.23%
- Telecommunication Services 15.91%
- Information Technology 11.88%
- Financials 8.5%
- Materials 8.06%
- Consumer Staples 5.91%
- Real Estate 2.27%
- Health Care 1.04%

## INDEX METHODOLOGY

Each MSCI High Dividend Yield Index targets companies with high dividend income and quality characteristics and includes companies that have higher than average dividend yields that are both sustainable and persistent. Index construction starts with a dividend screening process: only securities with a track record of consistent dividend payments and with the capacity to sustain dividend payouts into the future are eligible index constituents. Securities are also screened based on certain “quality” factors such as return on equity (ROE), earnings variability, debt to equity (D/E), and on recent 12-month price performance. The goal is to exclude stocks with potentially deteriorating fundamentals that could be forced to cut or reduce dividends. From the list of eligible companies, only those with higher than average dividend yields are selected for inclusion in the index. Issuer weights are capped at 5%. The index is market cap weighted and rebalanced semi-annually in May and November.

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